

On July 21, the USPAACC Business Leadership Series (BLS) tackled an important subject - Family Business.

In the United States today, the estimate of the number of family businesses varies enormously depending on the definition employed. Estimates range from 3 million family businesses when based exclusively on family ownership, to somewhat over 1 million when based on family members voluntarily "helping out."

Anisa Balwani, President of RCI Technologies Inc, and Northeast Chapter President for USPAACC, joined the webinar to talk about her experiences running a family business as well as to share her insights on how to capitalize on the positives and reduce the negatives.

About thirty years ago, Anisa and her husband Raj started their IT consulting firm. Raj came in with a technical background and Anisa a background in management, accounting and para-legal. This was the first important step for the couple - clear separation of duties.

As Anisa explained, it's a challenge to do business with family. The roles have to be extremely divided and each person should understand the others role to properly manage expectations. Things can change however. In Anisa's case, she started out with the operations work due to the demands of having young children, but as the business grew, she moved to focus on sales while Raj changed his priority to operations.

Three things that are essential to family business; (1) understanding personalities, (2) maintaining work/life balance and (3) setting expectations.

Anisa also talked about succession planning and gave the example of her daughter who is currently working with her at RCI. Overall, the company goals should be transparent and each family member should know what they're working towards and what 'success' looks like. If children are in succession plan, start them out as regular employees with no special conditions. This is will staff look forward and understand that the next generation will continue the business.

Last, Dr. Tarabishy discussed some of the theory behind family businesses. He presented an interesting discussion about the image of the modern family and provided a context in terms of how the topic is evolving for academic study. Today, as millenials grow older and begin to get more involved in their family businesses, the model of a traditional family business is changing - to today's modern family business. It's not just spouses, siblings, children, and parents that are involved.