



## Women

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April, 2008

Unfortunately there is not a lot of research on women in FOBs. This research is very much in an early developmental stage, and the future should bring a lot more insight into the experiences of women in family owned businesses.

### Some Facts and Figures

According to the 2007 MassMutual American Family Business Survey, women are continuing to enter into these businesses, and lead them. Currently, 24 percent of family businesses are lead by a female CEO or President and 31.3 percent of family businesses surveyed in the 2007 American Family Business Survey indicate that the next successor is a female. There is a lot of opportunity for women in family business as nearly 60 percent of all family owned businesses have women in top management team positions

### Women Led Family Businesses

While the prevalence of women in these systems continues to grow, there is very little research available regarding the perception of or the impact of women in family businesses. Currently we have not found many differences between the leadership of men and women in family businesses (Fitzgerald et al, 2001; Sonfield & Lussier, 2005; Danes, Haberman & McTarvish, 2005). Of the few difference that have been found, most of the differences are in managerial style and debt and equity practices. And these factors could be seen as related more closely to other factors mediating the effects of gender. For example Sonfield & Lussier (2005) found a significant difference in the debt and equity between female and male run FOBs, but the researchers suggest that this singular difference is more likely due to the age of the firm (as female run firms are more likely to be younger organizations (Raymond Institute/MassMutual, 2003)). Therefore the current research points to many more similarities between genders than differences. While the research on gender differences is under developed, there have been some interesting findings regarding a women's perception in family business. Hamilton (2006) through a qualitative study found that that women in family businesses tend to feel undervalued and overlooked. In a similar study Vera & Dean (2005) found that women experienced employee rivalry and work-life difficulties.

One way to combat these negative perceptions seems to be the ability to balance both the family business values and goals, with family goals. Women who feel like they have negotiated this balance report much higher levels of satisfaction with the business than women who feel like they are not balancing their business and family life (Vera & Dean, 2005). There is also some evidence that suggests that women tie their perceptions of well-being to their income level (Lee, Danes & Shelley, 2006). In other words, women who own a family business and who have higher incomes, have a much higher level of satisfaction than women with lower incomes. But, we

should be careful here, this may just be another indicator of work-family balance, and women family business owners with a higher income may be able to balance work-family needs better (Lee, Rowe & Hong, 2006). As women leaders with lower incomes tend to supplement their income with additional work (work outside the family business).

## **Women Succession**

The experience of women successor may be impacted by other variables, for example, Vera & Dean (2005) found that women who succeed their mothers have different challenges (and possibly more difficult challenges) compared to when they succeed a father. Specifically, women successors who succeed their mother are expected to follow their mothers lead, much more so than when they succeed their fathers. Women tend to have more flexibility in choosing a leadership style when they succeed their fathers.

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