

Center for Private Company Excellence Webinar

Sharing the Results from Our 2022 Family Business Survey

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**Kreischer
Miller**

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for Private
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Survey Overview

- ✓ Focus of questions in six key areas:
 - Leadership and Succession
 - Next Generation
 - Exit and Retirement
 - Governance
 - Employment, Ownership and Compensation
 - External Factors and Future Outlook

- ✓ Nearly 100 respondents

- ✓ Majority of businesses in Greater Philadelphia region



Make Up of Respondents

What is your role in the business?

62.9% Owners



12.9% President or equivalent



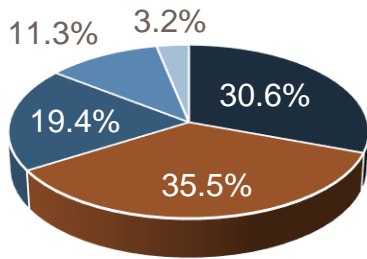
19.4% CFO or equivalent



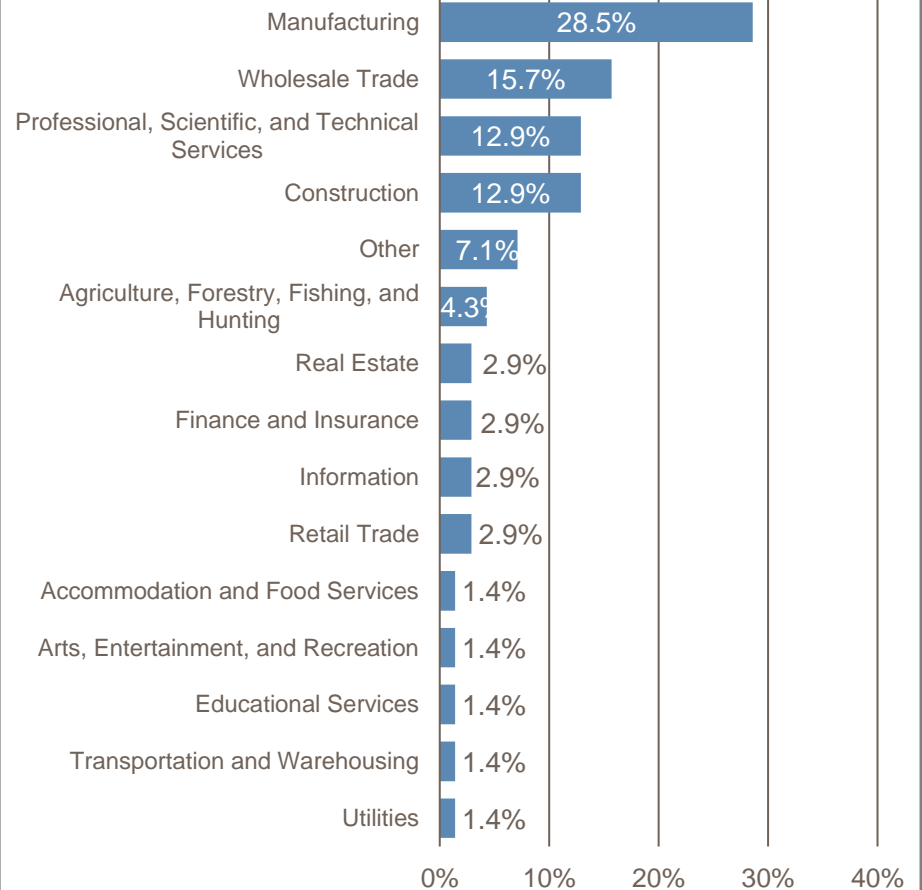
4.8% Other



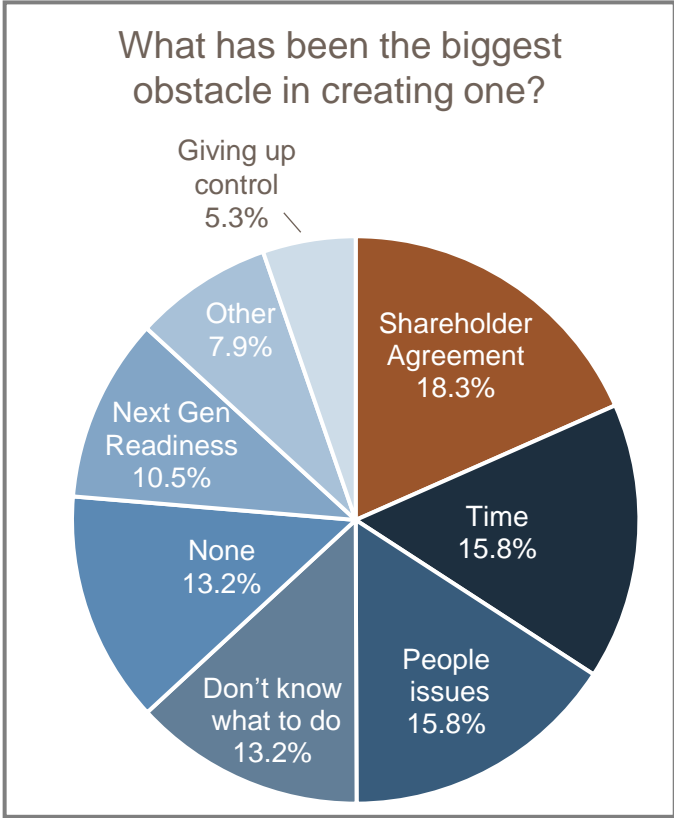
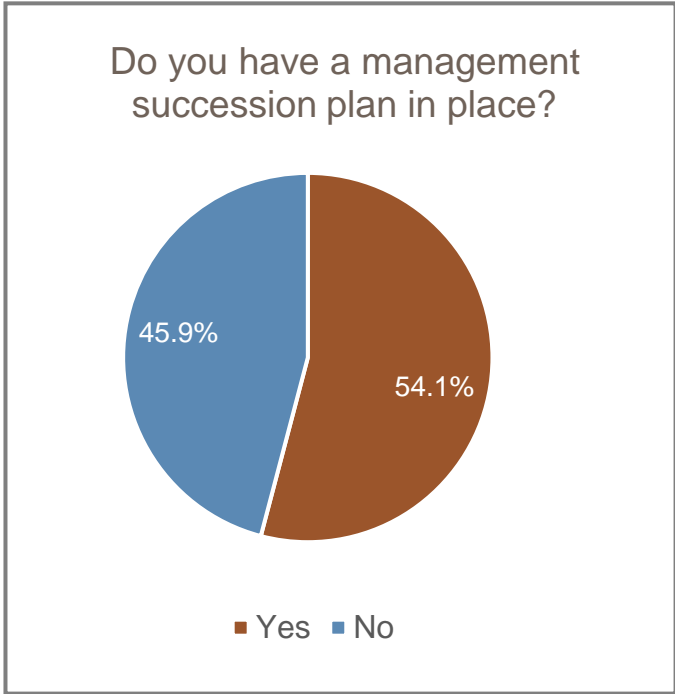
Generation of Business



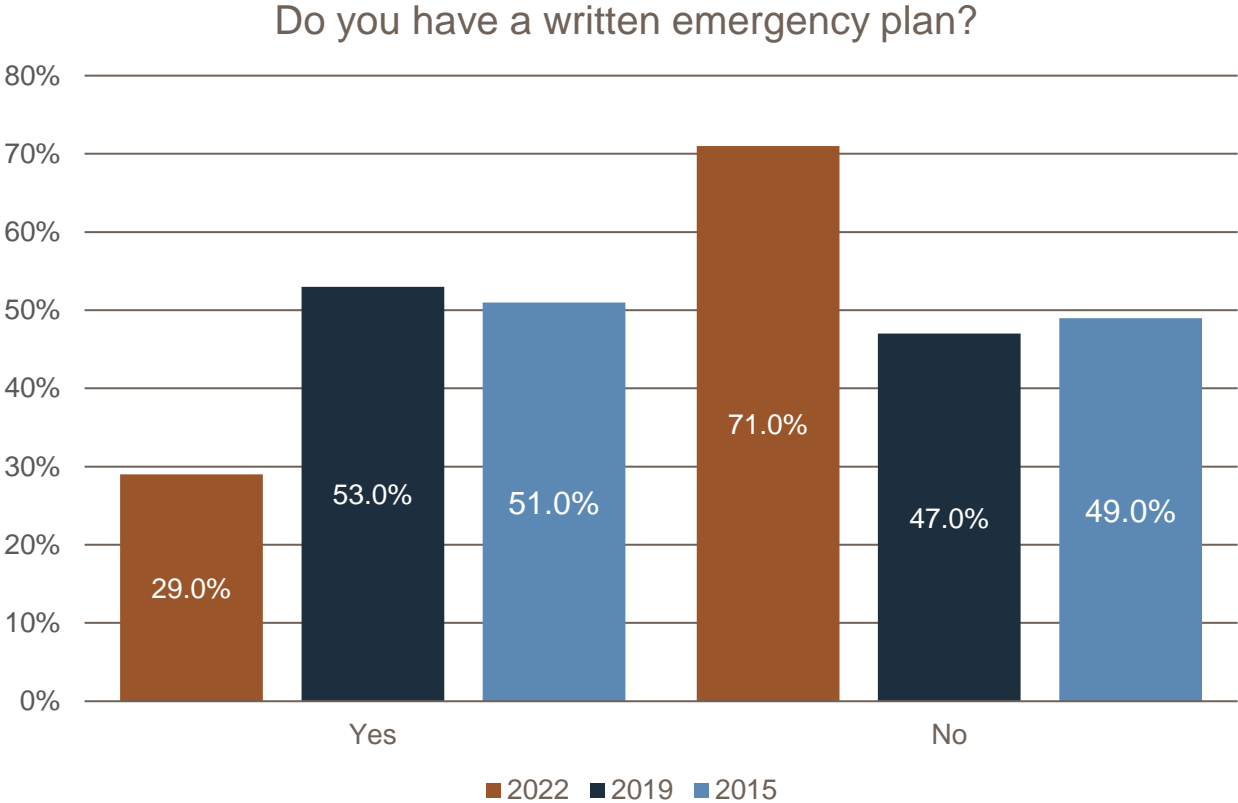
- 1st Generation
- 2nd Generation
- 3rd Generation
- 4th Generation
- 5th Generation



Leadership and Succession



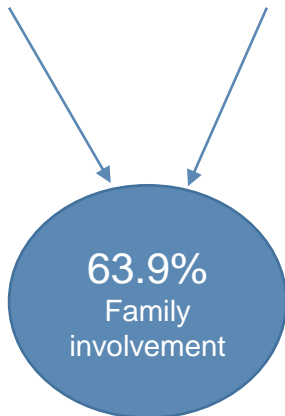
Leadership and Succession, Continued



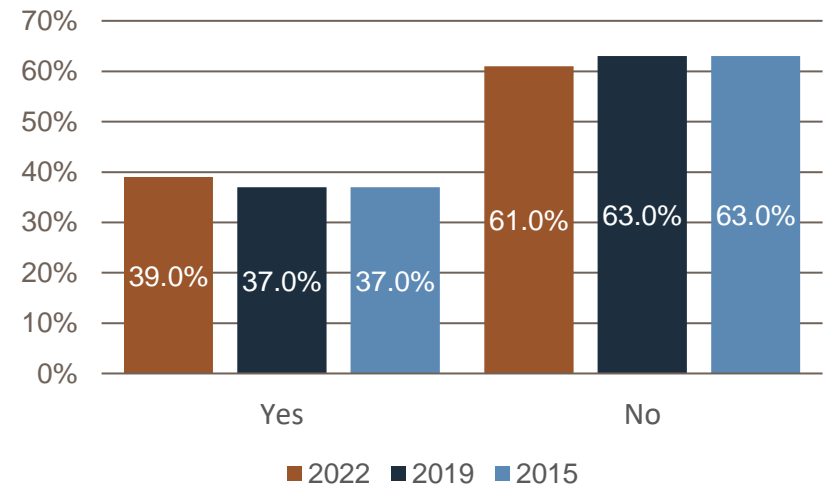
Next Generation

Management succession plan involvement:

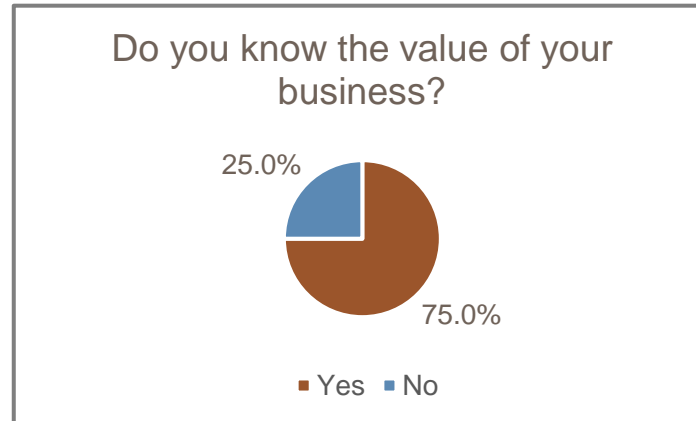
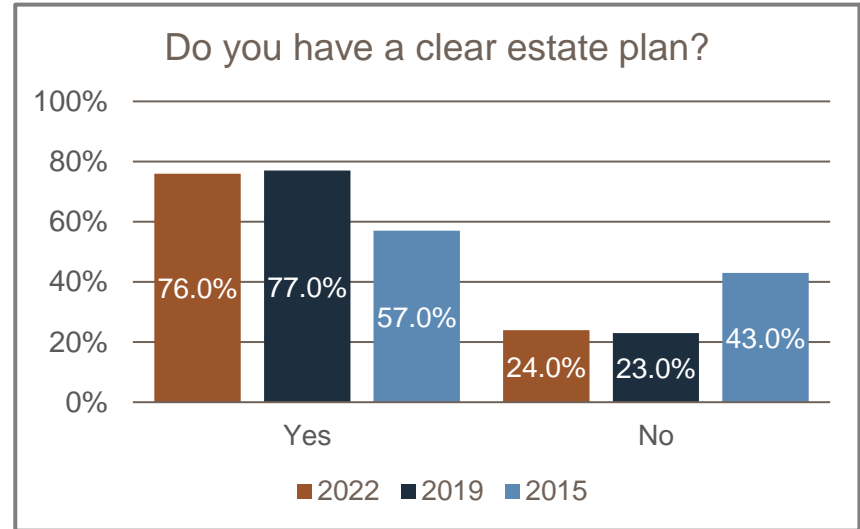
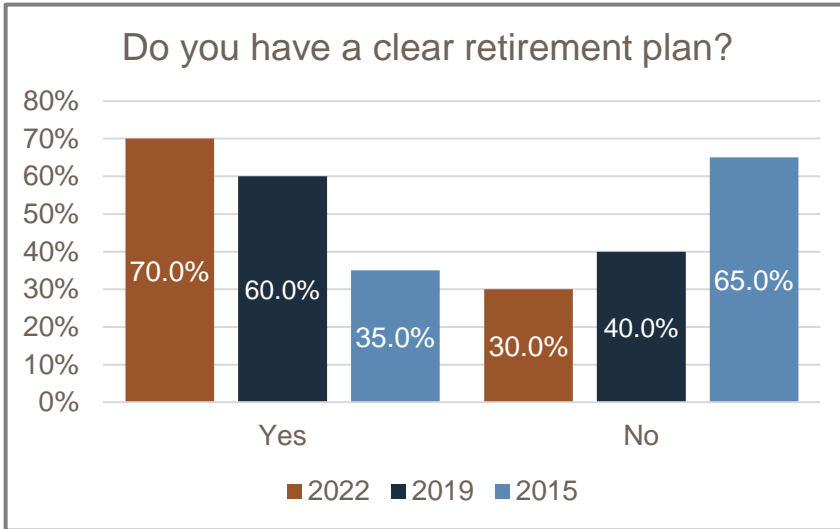
44.7% indicated their plans include both family and management.	34.0% indicated their plans include management only.	19.2% indicated their plans include family only.	2.1% indicated their plans include neither family nor management.
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Do you have a formal development and mentoring plan for the next generation?

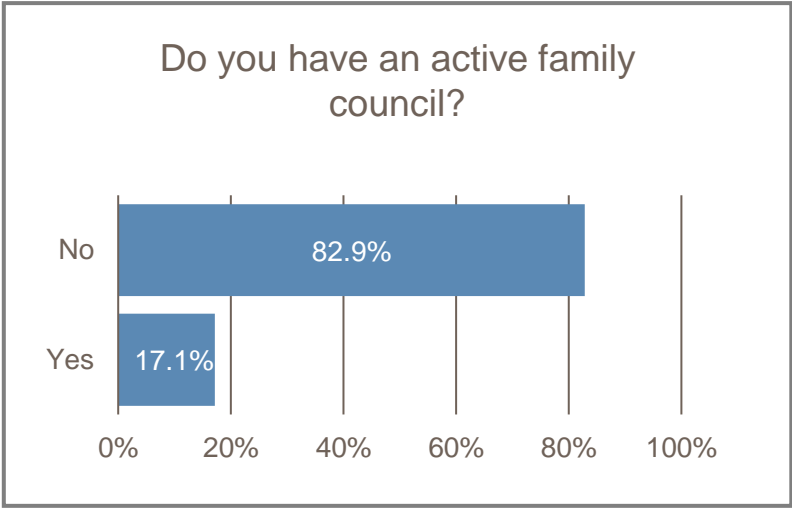
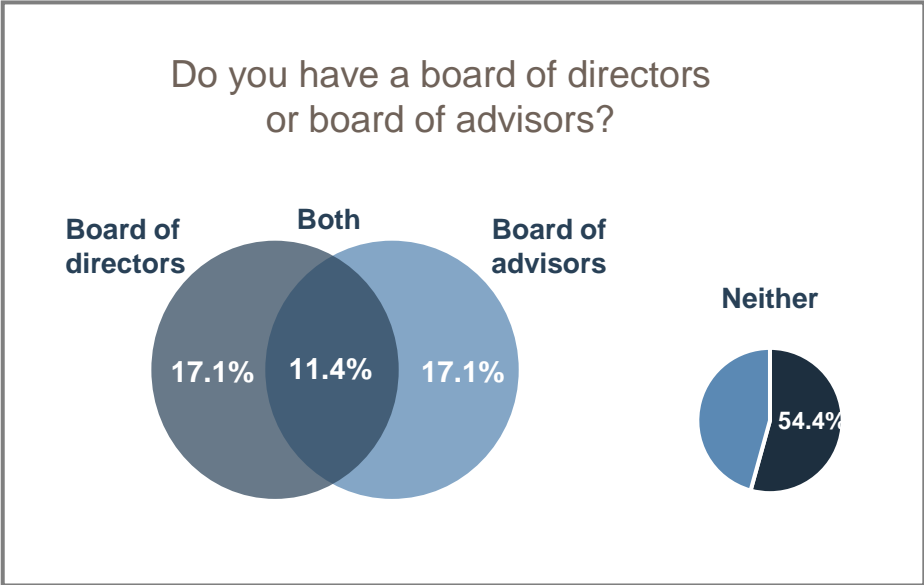


Exit and Retirement



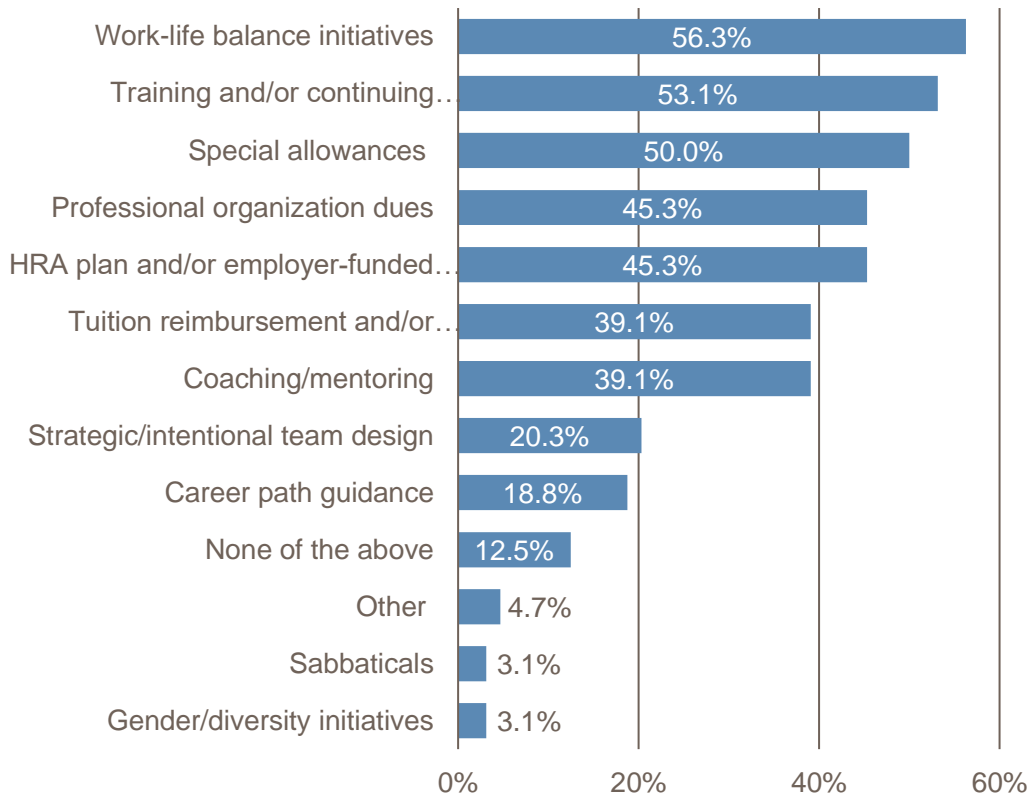
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Governance

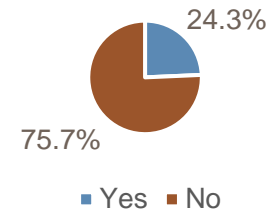


Employment, Ownership and Compensation

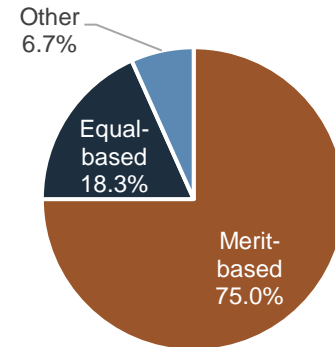
What special programs or policies apart from compensation and standard benefits packages does your business have in place to attract and retain non-family employees?



Do you have a family employment policy in place?



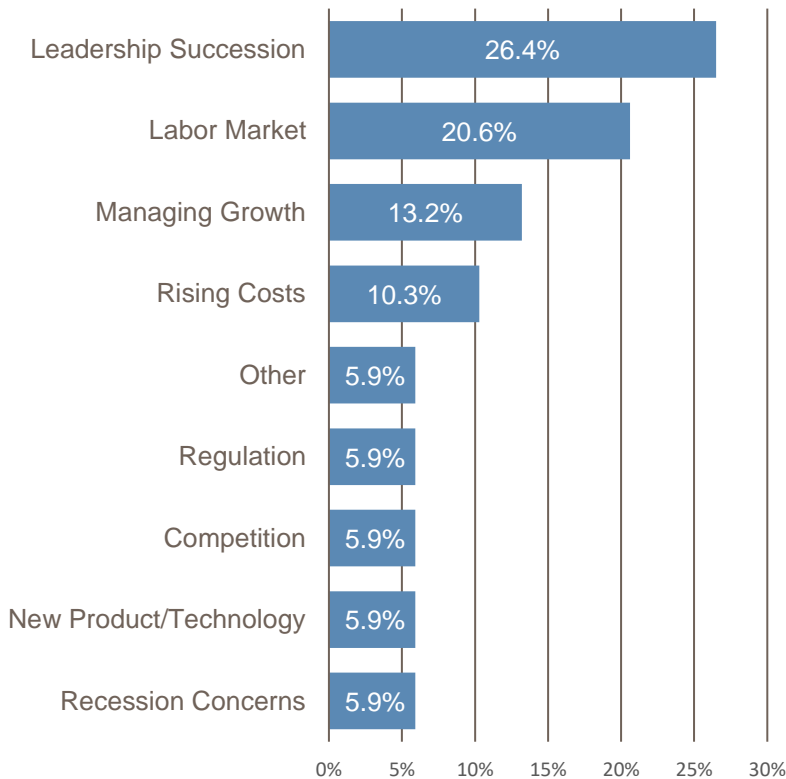
What is your compensation philosophy for family members?



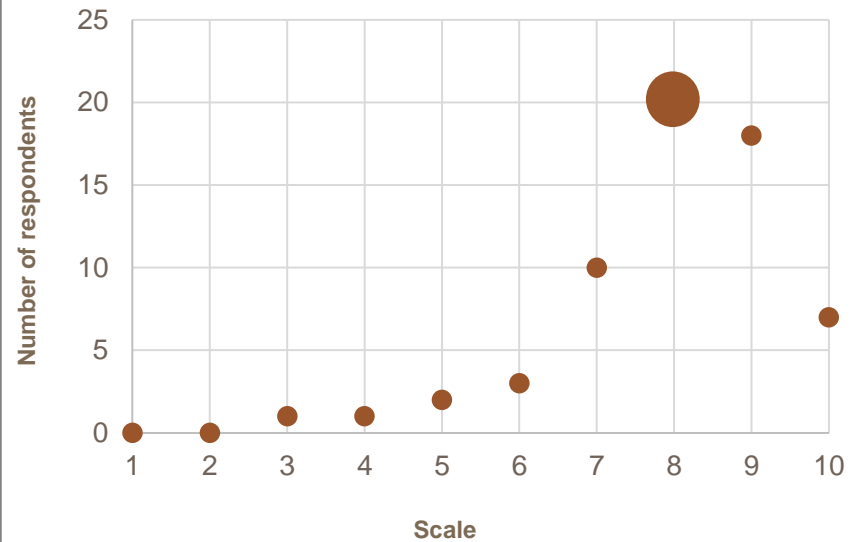
*respondents were able to select more than one answer

External Factors and Future Outlook

What is the largest challenge facing your business in the next 5 years?



On a scale of 1 to 10, where 1 was extremely negative and 10 was extremely positive, the average score was **8.0**.





Questions?

About Kreischer Miller and Our Family-Business Specialty Area

Kreischer Miller is an accounting, tax, and business advisory firm that has been serving clients since 1975. We've built our firm to respond to the unique needs of growth-oriented private companies, helping you smoothly transition through growth phases, business cycles, and ownership changes. The companies we work with need to be able to quickly adapt and respond to changing market opportunities and challenges. That's why our focus is on being responsive, decisive, and forward-thinking. We're up to the challenge—always looking at the road ahead, not in the rear-view mirror.

Integrated services and support for the needs of family-owned businesses

Family-owned businesses are often faced with the dilemma of planning and executing a transfer without a full understanding of the complexities involved and without the right advisory resources. Options that promise the solution to a complex family transfer abound in the marketplace, including family counseling, mediation, business valuation, estate planning, insurance and financial planning, business loans, and tax advice. Each of these options has its place, but family businesses have to piece together the elements of each and interpret how they will help address their unique situation. This process is often fragmented and lacks cohesion to really help family businesses solve the complex issues involved in a transfer.

At Kreischer Miller, we have worked with a large number of family businesses, helping them make successful transitions. Our experience and expertise in working with family businesses has allowed us to develop a unique, integrated process that blends family counseling, financial analysis, valuation, transaction structuring, compensation planning, corporate finance, taxation, and estate planning under an umbrella of business advice to the family.

These elements are presented in a cohesive framework to help family business owners reach an agreement that is fair and reasonable and can be executed in a way that does not jeopardize the family business nor destroy family relationships.

Our approach is advisory in nature, rather than focused on delivering a product. Our process is designed to provide expert advice on the transaction while educating the family about the process and how it will affect the individuals as well as the company. Our goal is to ensure that everyone involved understands the transaction to which they have agreed.

Core Services

- Succession planning
- Buy-sell agreements
- Business valuation
- Compensation structures
- Successor development
- Transaction structuring
- Estate planning
- Financing assistance
- Board structuring
- Family meeting facilitation
- Income tax planning
- Exit strategies

Learn more about Kreischer Miller and our Family-Business Specialty area at www.kmco.com.



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Contact the Presenters

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