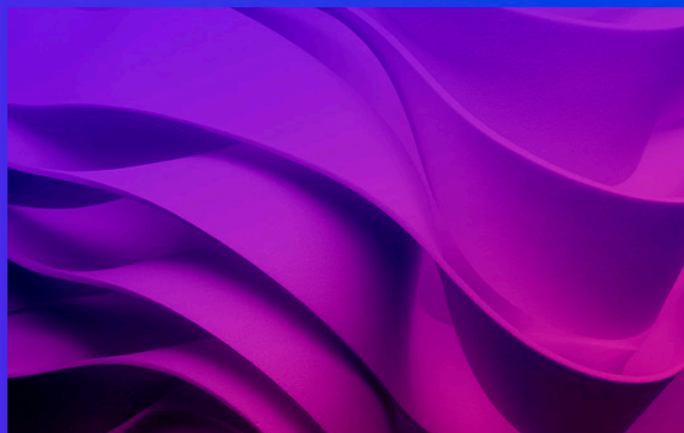


Privately Speaking

Insights on private company growth
from private company advisers

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What makes family businesses resilient?

Family businesses are resilient, responsible, and regenerative. And they have navigated the uncertainty of the past few years with tenacity, agility, and optimism. What is the secret to their success? In this edition of *Privately Speaking*, we explore the U.S. results of the KPMG Family Business Survey to find out how the leading family businesses are reinventing themselves in dynamic and unpredictable environments.

What is it about family businesses that enables them to stay ahead of the competition? It comes down to their sustained spirit of entrepreneurship, transgenerational resilience, and socioemotional wealth. Our U.S. survey shows...



79% say they have medium to high entrepreneurial orientation



39% say they have multiple generations currently active in the business



69% say they have medium to high socioemotional wealth in the business.



U.S. family businesses need to keep doing what they are doing. They need to continue encouraging an entrepreneurial spirit throughout the organization. They need to further develop and grow their family talent and participation in the business. And they need to remain true to their families, their stakeholders, their customers, and their employees.”

*Brad Sprong, Partner, National Tax Leader,
KPMG Private Enterprise*

Get the U.S. data and start benchmarking your organization!

You can download the U.S. benchmarking data in [The regenerative power of family businesses: Transgenerational entrepreneurship](#) and then contact your local [KPMG office](#) to assess your organization today.

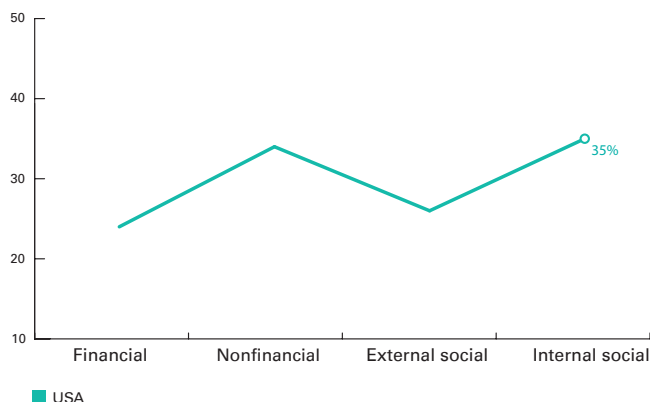
Do you have entrepreneurial orientation?

Entrepreneurial orientation has three main dimensions:

- **Innovativeness** – the propensity to invest in the research and development of new products
- **Proactiveness** – the ability to seize new opportunities, anticipate future market demand, and shape the competitive environment expectations
- **Risk taking** – the company's propensity to take large risks that may also have high potential returns.

What does good look like?

U.S. family business leaders said they were more likely to focus on nonfinancial and employee performance dimensions than they were to prioritize financial and customer performance dimensions.



Without investors having to see short-term returns, family businesses can put their values, family, and people ahead of financial results. And that has given them the resilience they need to perform in uncertain times. ”

Brad Sprong, Partner, National Tax Leader, KPMG Private Enterprise

What characterizes a U.S. family business leader?

- **They are transformational:** 62% say their leadership style is to transform or change the basic values, beliefs, and attitudes of followers so they are willing to perform beyond expectations.

- **They are proactive:** 59% say their entrepreneurial orientation is toward seizing new opportunities, anticipating future market demand, and shaping the competitive environment expectations.
- **They are (not exclusively) male:** 76% of CEOs identify as male and 24% as female (a more equitable ratio than every other region).
- **They are second generation:** 44% of family business respondents say the business is currently being managed by the second generation.
- **They are entrepreneurial:** 35% say they operate multiple business, versus 30% globally.

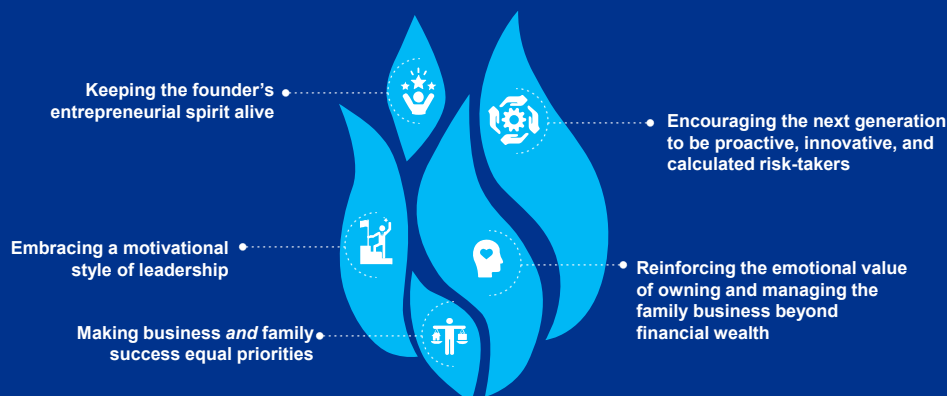
About the KPMG Family Business Survey 2022

KPMG Private Enterprise worked with the STEP Project Global Consortium to survey nearly 2,500 family business leaders around the world (around a third were based in the U.S.). We then talked to dozens of leaders in the U.S. to hear from them directly about the opportunities and challenges they are facing as they encourage continuous renewal and performance in their family business.

Family businesses operate in a global environment. To find out more about the global findings from the KPMG Family Business Survey 2022, check out [this report](#).

What sets top performing family businesses apart?

The *fuel* igniting their regenerative power and performance:





The multigenerational entrepreneurship capability of family businesses is well recognized as a source of significant competitive advantage. Many family businesses know that to achieve high entrepreneurial performance, next-generation family members must be given opportunities to take risks and make judgments on their own—and not simply follow the lead of older generations forever.”

*Brad Sprong, Partner, National Tax Leader,
KPMG Private Enterprise*

How KPMG Private Enterprise can help

Our professionals understand the complexities that companies like yours face as you navigate through an ever-evolving world. And we are drawing from our full set of capabilities across our network around the world to give you the best possible advice and services to help you lead through change. KPMG Private Enterprise delivers a broad range of services to help your private company build resilience and drive long-term business growth.



Starting

Turning entrepreneurial ideas into business reality



Growing

Expanding your business



Strengthening

Improving operations and helping minimize risk



Transitioning

Planning for the future

***Privately Speaking* focuses on the issues that matter most to privately held entities, including private-equity-backed and venture-capital-backed companies.**

KPMG Private Enterprise understands what it takes to drive private company growth. In each edition of ***Privately Speaking***, we share our insights—along with practical and actionable tips—to help boards, executives, and management grow, strengthen, and transition their privately held businesses.

For more information, click here to visit our *Privately Speaking* web page.



Don't miss a thing

The environment for private companies is changing rapidly, and new opportunities are emerging every day.

Do not let an opportunity pass you by. Sign up to receive the KPMG ***Privately Speaking*** series, and make sure you are making the best decisions possible for your private company.

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