



## Women Play Increasingly Important Roles in Family Businesses

Women are participating in business in increasing numbers and are taking on roles with more responsibility. According to the Australian Department of Foreign Affairs and Trade, over 30 per cent of Australian small businesses are owned by women. A recent report released by the Raymond Family Business Institute stated that the number of women leaders in family businesses had increased by 37 per cent between 1996 and 2001. In 1994, only two per cent of family business CEOs were women; in 2011 that number increased to more than 11 per cent. More than one-third of the surveyed CEOs believed that the company's next CEO might be a woman.

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In the past, women were often not considered for family succession unless there were no male heirs available; however, today more businesses are choosing the best person for the job, regardless of gender. According to the Raymond study, women-owned family businesses are more likely to focus on succession planning, carry less debt than male-owned businesses, and have less family-member attrition. One of the proposed reasons for the disparity in performance is the flexible nature of family businesses. According to study participants, family members often pitched in and helped with childcare, allowing the women (many of whom reported being the primary caregiver) to focus on the business.

Lara-Jane Mitchell is an accounting executive at Brisbane Bus Lines, a 3rd generation Queensland transportation company. The granddaughter of the company's founder, Lara-Jane is the first woman in her family to take an executive position in the company. She had the first inkling that she wanted to join the business in high school, but got her start in the transportation industry by working for another family owned Freight forwarding business, having been told by her CEO father that he wouldn't hire her without job experience. Her experience is common among family business scions, many of whom cut their teeth on jobs outside the business before joining the family firm.

Lara-Jane doesn't believe that being a woman has hindered her career at

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Brisbane Bus Lines. “I don’t think my experience at Brisbane Bus Lines has been very different than the men’s given our casual company culture,” she says. Lara-Jane admits, however, that the transportation industry is very male-dominated and that she may face greater challenges as she rises in the company. While she is making innovative changes in the company’s accounting practices, Lara-Jane is also working to increase her knowledge of the mechanical side of the business. Her goal is to develop a well-rounded understanding of all the firm’s operations so that she is able to take on more responsibility in the business.

As businesses grow and become more sophisticated, leadership becomes as much about managing finances and people as handling the technical side – areas in which women are equally adept. Families who want to nurture the careers of the next generation of women leaders should work to provide positive mentoring experiences and encourage a strong work-life balance. Lara-Jane’s advice to women in family businesses is “to not feel pressured to work in the business and make sure that it is something that [they] want to do.” Lara-Jane credits her success in business to her father, CEO Ian Mitchell, as well as membership in professional organizations such as the Queensland Bus Industry Council where she found mentoring and support.

A 2009 book, “Women in Family Business Leadership Roles: Daughters on the Stage” analysed 13 women-headed family businesses and uncovered patterns in how these women achieved their positions. The authors, Ken Moores and Mary Barrett, both internationally recognised in the family business sector, discovered that most of the women did not achieve senior roles in a sequential manner, but through a less-organized process than male counterparts. Like most male successors, each woman passed through a series of developmental stages, but was more likely to work outside the family firm or take on jobs in a variety of departments within the business. The end result is that by the time the women took leadership of the family firm, they were as competent to lead as their male counterparts.

Lara-Jane believes strongly in increasing the number of women in senior roles through merit-based promotion, rather than quotas or preferential hiring. “Women must be willing to take on the responsibility of executive roles,” Lara-Jane says, “as well as the added stress on work-life balance.” Managing family responsibilities and child-rearing remains the biggest challenge to women who seek high level positions in business. However, family businesses can often provide greater opportunities for women, being more tolerant of career interruptions and flexible working arrangements.

### **About FINH**

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We specialize in working with family businesses and offer our clients the benefit of fully-integrated advisory services designed to help our clients meet their present and future business needs. We believe that family businesses have unique needs and advantages and have dedicated ourselves for over 30 years to providing specialist services to help clients overcome these challenges.

FINH have been accredited advisers with Family Business Australia since 2006 and the international organisation Family Firm Institute, since 2010.