Looking back some day, 2015 might be known as the year that family business was “discovered,” at least by a group far larger than those specializing in the field. In day-to-day advisory practices, professional conferences and even mass media, nearly audible gasps of “eureka” could be heard, as group after group recognized the importance and prevalence of family businesses. Let’s review why the concept of discovery is an especially apt way to describe this moment and what lies ahead.

A New Discovery?
The word “discovery” has multiple uses and meanings, and there’s a sense of awe to it. There’s the notion of finding something new that didn’t exist before; it can also refer to a revelation or recognition of a person, place or thing that already existed but wasn’t yet known to the discoverer. Columbus “discovered” the New World, but its land and people were there long before he arrived. It’s this latter connotation that so aptly describes family business in 2015. Family business is far from new, and just like the New World, it’s unimaginably vast. And, while those who’ve long been “in the know” might balk at this idea of “discovery,” 2015 was a year in which many more people came to recognize the reality of family business as a major force in the economy and society.

Evidence of Recent Discovery
The 2015 “discovery” of family business is evident from multiple perspectives. Here are a few examples:

- Increased media focus. Not only are there more trade publications than ever dedicated to family business, but also mainstream media has shifted attention to it in a more focused way. The leading indicator of this trend was an article in *The Economist*, “Special Report on Family Companies” (April 18, 2015), which provided an overview of the complex landscape. In 2015, articles on businesses run by families focused on the “family-ness” behind businesses more than ever.
and daughter of the chairman, forced a plane to return to the gate when she was served macadamia nuts in a bag rather than on a plate. This was just one of many family business stories that quickly made headlines and dominated the Internet over the year.

**Demographic shifts.** The 1999 inter-generational wealth transfer study has received a great deal of attention over the years. Something that’s followed less by the media, but shows up in the offices of lawyers and accountants every day, are the contemplated transfers or sales of family businesses in the United States and other countries. These transfers are complex and go far beyond legal and tax planning challenges.

**Political trends.** In 2015, family dynasties dominated politics in North America in a way that put the spotlight on family businesses as a point of comparison.

**Factors Leading to Discovery**

**Moments of discovery generally occur when a number of factors converge, reach a threshold and go beyond. What led to the 2015 discovery?**

**Marketplace developments.** The long-term effects of the Great Recession are only just beginning to reveal themselves. One of the first effects has been a shift away from viewing large, independent companies as the key to financial success and security. Skepticism has risen, and there’s newfound hope for entrepreneurial ventures that often create or grow out of family enterprises. Institutional firms are looking beyond traditional business lines and into the private wealth market and finding family businesses at the core.

**Information age effects.** Simply typing “family business” into Google generates 752 million results. Discounting for the generic nature of the term and the likelihood of numerous miss-hits, there’s a lot of attention being paid to this area by a variety of sources. Global information is now available at one’s fingertips. It’s no longer possible to ignore the impact of developments in other countries and in one’s own as information goes viral, fast. Indeed, the 2015 news cycle started with a focus on the late 2014 “nut rage” incident, when Heather Cho, a Korean Air executive and daughter of the chairman, forced a plane to return to the gate when she was served macadamia nuts in a bag rather than on a plate. This was just one of many family business stories that quickly made headlines and dominated the Internet over the year.

**In 2015, family dynasties dominated politics in North America in a way that put the spotlight on family businesses as a point of comparison.**
business had and will have a profound impact on family businesses and the families who own, control and manage them. Family business owners and their family members are now treated as celebrities. They're asked to reveal family secrets; their family feuds fill the pages of even the most reputable media outlets. This exposure will affect the businesses run by these families, self-identification of family members and their relationships with each other.

• **Marketing shift.** Not long ago, it was considered detrimental to describe your business as a family business, especially if it was a large one. This has changed quickly, and advertisers are jumping on the trend as quickly as possible to help clients re-brand their business image.

• **Impact on research.** We might be entering a golden age of academic focus on family business. Research projects around the world are spreading quickly, and it's become an attractive field for younger researchers. Researchers have access to data on publicly traded family businesses, and more private business families are willing to share their stories. Thanks to this trend, it would be impossible for us not to understand family business and family enterprise better in 2020 than we do today.

• **Societal implications.** Now that we know the scope of family business, we can no longer ignore its societal implications. Business is complicated; families are as complex as any human grouping can be. Given the magnitude of family business in culture, society and the economy, these are powerful forces that will impact everyone in one way or another. What goes on within families will impact the lives not just of members of the family who work in the business, but also of employees, customers and stakeholders of the business. The balance between these families and society will be one of the great challenges in years to come.

Discovery is an exciting moment. What lies ahead is often even more challenging and complicated. The 2015 “discovery” of family business is now behind us; what comes next is hard to predict, but there’s no doubt that its impact will be immense.

Endnotes
1. See www.ffi.org/?definitions.
3. “To Have and to Hold,” ibid.
6. By contrast, “family wealth” generates less than half as many, or approximately 256 million hits.