



Enterprising Rural FamiliesTM

An Online Newsletter October, 2013 Volume IX,

Issue 10

Copreneurs: Mixing Business and Love

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Are you in business with your life partner and can't tell the difference between your bedroom and the boardroom? Welcome to the world of COPRENEURS.

Copreneurs, a term coined in the 1980's, refers to entrepreneurial couples who share ownership of, commitment to, and responsibility for a business. This term describes any two persons living together in a committed relationship and also running a business together. These business couples differ from co-executive (executive couples who own or work with different companies) and co-professional (professional couples in the same or different professions who own their own practices).

According to the U.S. Census 2007 Survey of Business Owners, 3.7 million American firms are jointly owned and run by copreneurs. Couples in business together represent a large category of family-owned businesses in the United States, generating 57 percent of the gross domestic product (GDP) and employing 63 percent of the workforce.¹ The traditional copreneurial businesses of farming, crafts, retail, hospitality, business services, and operating franchises, are now joined by computer consulting, high-tech manufacturing and services, software development, telecommunications, and other consulting ventures.

Experts point to several factors for this increasing trend including:

- Corporate bureaucracy, downsizing, and restructuring that have caused many business individuals to look to themselves and significant others for increased security and work opportunities.
- Significant economic and tax advantages that make such an arrangement attractive to couples who want to work together.
- Quality of life issues have led to a renewed focus on the family by being close to home and children.
- A balancing work and personal life philosophy of many younger workers (see the November 2009 and December 2010 issues of the Enterprising Rural Families eNewsletter for a detailed description of younger generation workers) has also contributed to this increase.
- New technologies that make copreneurial businesses more practical.

This newsletter is an instrument of the *Enterprising Rural Families: Making It Work* program of University of Wyoming Extension. For further information concerning the Enterprising Rural Families program or on-line course contact information@eRuralFamilies.org or go to <http://eRuralFamilies.org/>.

TIP OF THE MONTH:

DEVELOPING GOOD FOREMEN

Overcoming the objections:

Understand the candidate's perspective. Many employees may feel they are entitled to a promotion by virtue of seniority alone. Others feel they are qualified simply because they do a better job than the rest. Make sure you explain the job description requirements clearly. Even when the opening is clearly communicated to all in the organization, do not be surprised if you find just a few interested candidates.

If you have a candidate who you think would qualify, but does not seem interested in a promotion, find out their objections and overcome them by explaining your vision and supporting them.

Development:

When an employee begins a new position, a high level of morale and motivation is expected, but this level is likely to drop gradually for two basic reasons: the morale level starts high, and a person becomes discouraged as he finds difficulty and makes mistakes in his new role. Your approach and techniques for support and coaching should vary according to both the level of performance on new tasks and the level of motivation for each of the tasks. The basic rule is: the lower the productivity level, the more teaching is needed, and as performance increases, teaching decreases.



- Older workers opting for a different employment venture rather than retirement.²

For couples willing to meld work and personal lives, there are Benefits to copreneurship. Running a couple's business means staff meetings at the kitchen table, combined family and business travel, simplified tax statements, and more time with the significant other.

Despite the appeal, copreneurship is not without challenges. Dr. Everett Moitoza, in his article, *Copreneurial Couples: What's Love Got to Do with It?* lists five keys to successful copreneurial ventures:

1. Clear boundaries and well differentiated roles distinguish a well functioning copreneurial business. Couples must be able to integrate their relationship as working partners with their relationship as a romantic couple, as well as with high functioning parenting. They must be able to appropriately separate work time and work place from home time and home place.

2. Communication is always mentioned as an area of concern. Copreneurs will certainly argue, be angry, and disagree on many issues during the development and management of their business. However, it is the absence of hostility and contempt in their conflict that will determine which venture will thrive and which will self-destruct.

3. Power distribution in the copreneurial couple is central to the business. Deciding who knows what, when and how, as well as who makes what decisions in what areas, when, are all aspects of the power dimension for copreneurs.

4. Skill complementarity means that the couple's natural talents are complimentary rather than competitive. A most usual mix is when one member is "right-brain dominant", i.e., people-centered, creative, relational. The other would be "left-brain dominant", i.e., skills in finance, analysis, research, technology and so on.

5. Trust and respect for each other and the many differences that abound in the relationship complete the profile of the competent copreneurial couple. "Turf" battles are among the most divisive and unproductive. Respect for each other's style and values will go a long way in modeling a respectful company-wide employee culture.³



Maintaining your family business after divorce

It is commonly believed that a divorce will lead to the end of the copreneurial business. Though this may be true to some extent, it does not occur in all cases. In many situations, couples who divorce or separate often find a common ground on which to keep the business going. The key factor is finding trust with each other from a business perspective. While trust in the personal relationship with the partner may be destroyed, the couple may still be able to keep a trusting relationship in terms of a business and working relationship. If the couple can find trust and loyalty in business decisions, the business may very well continue.

Because a family business, in which a couple shares joint ownership, often experiences strain, many couples find that after divorce the strains of working together disappear. While the marriage or committed relationship may be in dissolution, if each individual clearly identifies the roles of the other, decide how best to manage conflicts, and convey mutual business respect, the family business can continue to succeed.⁴

Making it work

Perhaps the most difficult thing for copreneurs to contend with is the fact that they are in pursuit of two concurrent life goals that make contradictory demands. Running a successful business necessitates

single-mindedness and persistence; while successful relationships need mutual support and time investment.⁵ So how do copreneurs do it? Aside from having a solid personal relationship, business-work success seems to be in knowing where to draw boundaries and carve out breathing space--from each other and from the job.

References:

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2. Moitoza, Everett. *Copreneurial Couples: What's Love got to do With It?* Retrieved 01/03/2013 from: http://www.familybusiness.unh.edu/usefulinfo/Copreneurial_Couples.pdf.
3. Ibid., 2-4.
4. Cadena, Christine. *Maintaining Your Family Business after Divorce: Copreneurial Relationships*. Retrieved 01/03/2013 from: <http://voices.yahoo.com/maintaining-family-business-after-divorce-copreneurial-635580.html>.
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Characteristics of Couples Who Succeed in Business:

1. Exquisite Communication around Conflicts
2. An Array of Complimentary Business Skills by both Copreneurs
3. A Shared Strategic Copreneurial Business Plan
4. Excellent Time Management Skills
5. A Similar Work Ethic Shared by the Copreneurs
6. Boundary Management/Role Differentiation that is Clear and Effective
7. A Mutual Trust & Respect for Style, Skills, Nature, and Knowledge
8. A Mutual Love of Challenge and Problem Solving in Business & Life

(Source: *Copreneurial Couples: What's Love Got to Do with It?*)



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October, 2013 Volume IX, Issue 10