

Family businesses in the Netherlands

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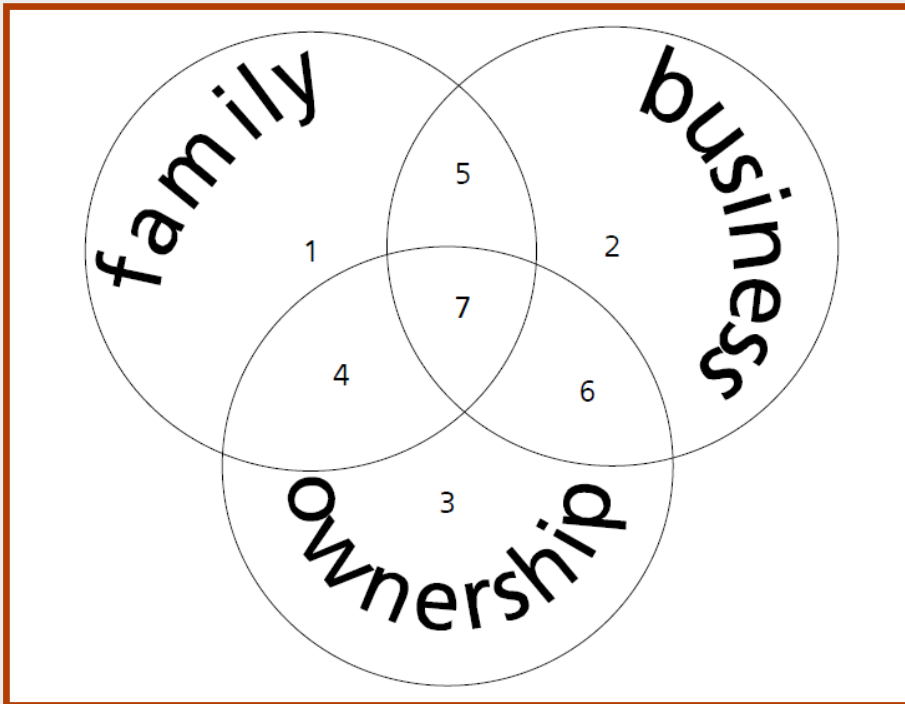
European Family Business

About EFB: Statements

Click on "About EFB" to open the internet page of EFB

- Family businesses make up between 65 to 80% of all European companies,
- accounting for on average more than 40 to 50% of all jobs
- Family businesses have a significant role to play in the strength and dynamism of the real economy.
- Family firms are important because of the long-term stability they bring,
- the specific commitment they show to local communities,
- the responsibility they feel as owners and the values they stand for.

Family businesses in the Netherlands



Source: Gersick, Davis, McCollom Hampton and Lansberg (1997), *Generation to generation*, Harvard Business School Press.

Differences FB vs Non-FB

1. Ownership
2. Governance
3. Profit
4. Reward
5. Network
6. Leadership
7. Carrier
8. Management

Question at SN:

How to provide Statistics on Family Businesses?

Family Businesses in the Netherlands

Dutch approach

1. Characterize each enterprise in the Dutch Statistical Business Register (SBR) as a FB or not.
2. Produce indicators on FBs by aggregate financial information that was already linked to the SBR

Advantage:

Datacollection is not based on sampling and surveys, but by linking extra information from administrative registrations to characterize a FB in the SBR. If each EG/ENT is characterized, indicators are produced with information already collected.

Family Businesses in the Netherlands

Dutch definition of a Family Business

- The majority of **decision-making rights** (direct or indirect) is in the possession of the same family, i.e.
 - * the natural person(s) who established the firm or
 - * the natural person(s) who has/have acquired the share capital of the firm or
 - * their spouses, parents, child or children's direct heirs.
- At least one representative of the family is formally involved in the **governance** of the firm.
- Listed companies meet the definition of family enterprises if the assets and/or the capabilities of the enterprise are **transferable**
=> Transferability implies that there are at least two persons employed in the EG

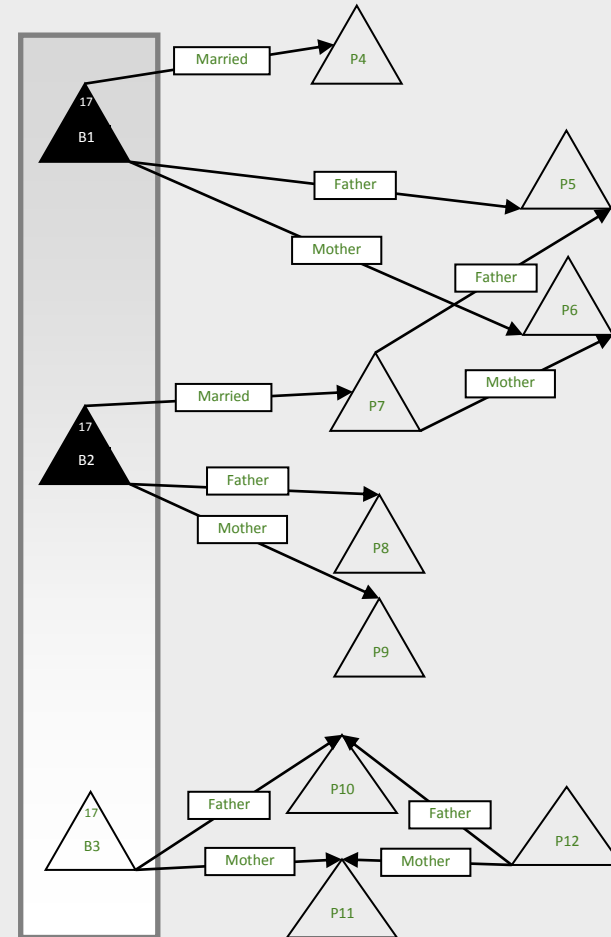
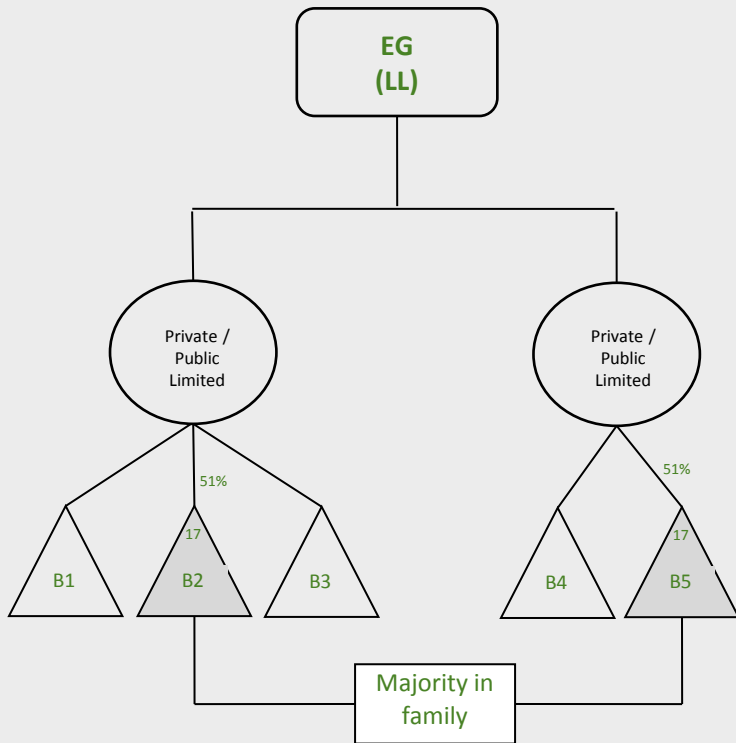
Family Businesses in the Netherlands

Sources used to detect Dutch Family Businesses

- Statistical Business Register (SP,LL,PA)
- Trade Register (LL,PA)
- Payroll Tax Register (LL)
- Management of relations of tax authorities (LL)
- Satellite Self-Employed Entrepreneurs (LL)
- Household register (LL,PA)
- Alliance register (LL,PA)
- Child-parent register (LL,PA)

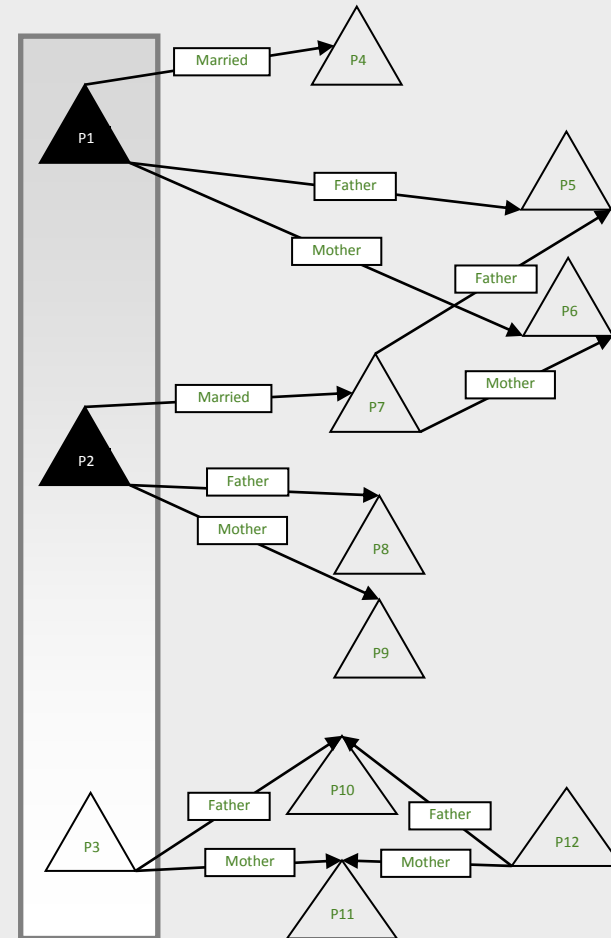
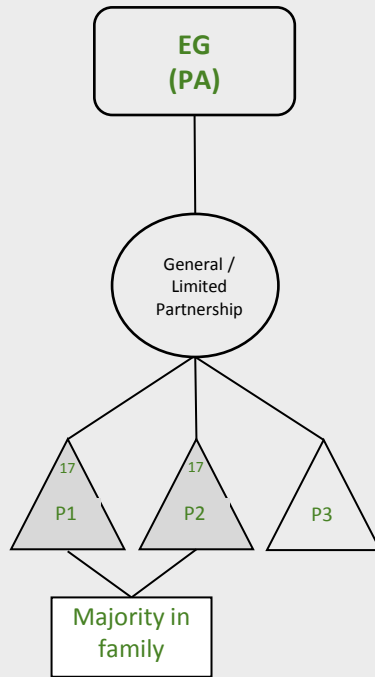
Detection of Family Businesses

LL: Limited Liabilities



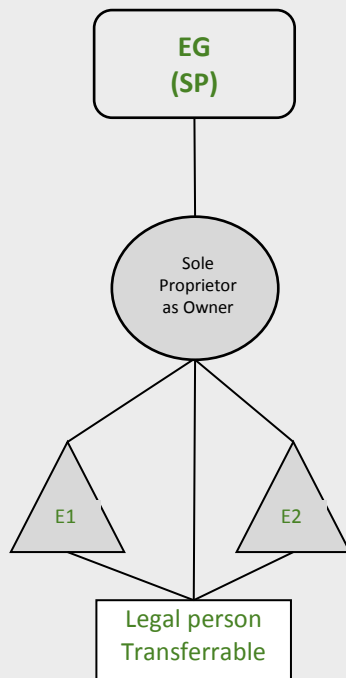
Detection of Family Businesses

PA: Partnerships



Detection of Family Businesses

SP: Sole Proprietors



Selection from the SBR:
All enterprises with legal
form = SP in size classes
 ≥ 2 persons employed

Results

Identification of FBs on 1.1.2015	#FB (=EG)
LL Enterprises groups identified for private and public limited companies	78.379
PA General partnership where the majority of partners seem to be family because of family names or because they live in the same household	105.763
PA Limited partnerships where the majority of partners seem to be family because of family names or because they live in the same household.	22.180
PA Commandite partnerships	1.411
SP Sole proprietorships	55.635
Total	263.368



Click on the picture for more results (in Dutch)