

A hand holding a glowing lightbulb against a gradient background. The background transitions from a light teal at the top to a vibrant orange-red at the bottom. The hand is positioned in the lower right, holding the base of the lightbulb. The lightbulb is illuminated, casting a soft glow. The text is overlaid on the left side of the image.

It's an
ENTREPRENEURIAL
thing

Top entrepreneurial thinkers
in family business

BY BETH BRAVERMAN



Regardless of industry, one key to success for multigenerational family firms is flexibility and a willingness to adapt the business to meet changing customer demands in an evolving marketplace. As the challenges of the past several years have proved, businesses characterized by resilience and agility have significant competitive advantage over their more rigid peers.

For NextGen leaders of family business, thriving in today's world requires an entrepreneurial mindset. By focusing on the future while also preserving their firm's culture and heritage, these executives are setting their family firms up for success — in their generation and beyond.

Here's a look at six family executives whose businesses are flourishing thanks to their entrepreneurial approach.

A CULTURE OF HOSPITALITY

Elizabeth Morrissey Brown's passion for hospitality took root at a young age. Her father founded Morrissey Hospitality, a full-service hospitality management firm in St. Paul, Minn., when she was just 3 years old.

"It was a magical upbringing," says Brown, 33. "The hospitality business was just part of our daily lives. It was about treating and taking care of other people. We had those values instilled in us very early."

Brown worked as an HR assistant in one of her family's hotels and went on to earn a hospitality degree and forge her own career. She worked at New York's Waldorf Astoria and later at the Johnson Brothers Liquor Company, where her clients were 35 of the Twin Cities' top restaurants and hotels.

After her father's passing, Morrissey returned to the family business and worked her way through a variety of positions, including operations manager and director of special projects. Today, she is a co-owner (along with her two brothers) and vice president of business development and marketing.

"When we first assumed the ownership as the second generation, we had to define clear lines in terms of our goals as individuals and how that translates into one collective goal for the business," she says.

One of the biggest changes they made was shifting their business model away from one with fees based on a percentage of revenue to one that is more customizable based on client needs, with a la carte offerings and custom management services.

Since that transition, the business has tripled the number of clients in its portfolio and continued to keep an eye on growth. It now has 1,000 employees, all focused on creating meaningful experiences for guests while delivering consistent results for their clients.

Brown attributes that success to her entrepreneurial approach to business decisions.

"Being flexible and embracing change is ultimately key in order for any family business to continue on," she says. "Whether it's among family members within the business or between generations, it's about being able to embrace those changes and discover or identify new opportunities."

“Being flexible and embracing change is ultimately key in order for any family business to continue on.”

GOING INDEPENDENT

Joseph R. Biondo had successfully managed a book of business at a major wirehouse (broker-dealer) for decades when clients began asking him whether he had a succession plan. When Biondo asked his son, Joseph P. Biondo, to move back to Pennsylvania from California to take over the business, the younger Biondo agreed — under one condition. They'd have to break away from the wirehouse and launch their own independent firm.

"He agreed, and I came home and worked with him for five years before we launched Biondo Investment Advisors as an independent shop," says Joseph P. Biondo, 48. "I was the driving force for that, but we launched it together in 1999."

In the 24 years since, the firm has grown to 16 employees across offices in Milford, Pa., and Sparta, N.J., and just under \$1 billion in assets under management. The younger Biondo says that going independent was important to him because it would give the family and the business end-to-end control over the experience they were offering their clients.

One of the biggest changes the firm made early on was shifting from a broker-dealer model, which was the prevalent model in the industry at that time, to being a registered investment advisor.

"When opportunities come along, our answer is always 'yes' until there is a reason to say 'no.'"

"We made a difficult decision to wind down and close the broker-dealer side," Biondo says. "It was a lot of regulatory hoops, and it was a harder decision, but in the long run it was the right decision. The RIA [registered investment adviser] space is the only area that's growing in offering financial services to individuals."

Biondo also focused on scaling the business by putting processes into place and hiring individuals to handle specific functions like marketing and client services.

"My father was a one-man shop for many years, and he succeeded by sheer effort," Biondo says. "But when you start to get into hundreds or thousands of clients, it's impossible for one person to do."

BUYING THE COMPANY BACK

Jane Grote Abell's family home sat directly behind her family's first Donatos pizza restaurant in Columbus,

Ohio. She grew up with the business, which grew as well, expanding via franchises to multiple locations. Eventually, Abell became the company's Chief People Officer and stayed on even after her family sold the company to McDonald's in 1999.

When Abell, 55, heard four years later that McDonald's was contemplating a sale of the chain, Abell and her father decided to save the brand and buy it back.

"We bought it back for pennies on the dollar, but we were losing a lot of money," Abell says. "We were able to turn the company around and start franchising again — and start working toward a bigger, brighter future with our people."

Abell says her entrepreneurial mindset fueled that sale.

"You need to have an entrepreneurial spirit to be able to truly visualize what the future can hold, no matter what barriers are in front of you," she says. "I was always an owner on paper [before the first sale], but that was the first time I was signing the front of the check. That changes things."

Since then, Abell has always been looking for new opportunities to expand the business. That has included operating ghost kitchens and initiating a partnership with the Red Robin chain to sell Donatos pizzas in their restaurants. Both moves have proved profitable for the company.

"When opportunities come along, our answer is always 'yes' until there is a reason to say 'no,'" Abell says.

While Abell's siblings and mother no longer work at the firm, it remains a family affair. Abell is the company's Chief Purpose Officer and executive chairwoman, her husband is its CEO, and her children and stepchildren work there as well.

A COMPETITIVE CULTURE

Jordan Jayson's parents began U.S. Energy Direct Corporation (USED) in 1980 in Buffalo, N.Y., as an exploration and production operating company in the Northeast. Jayson, now 46, joined the company in 2009 as vice president of business development and was promoted to CEO in 2014, taking the reins from his father.

Jayson took an entrepreneurial approach to the business early on in his tenure there, and he was instrumental in evolving the firm's business model.

"I am very competitive in nature, and I was determined as a leader not to let ourselves become complacent or become one of those family business statistics about companies that fail in the second or third generation," he says. "So, we are continually pushing ourselves."

Under Jayson, the company has moved away from exploration and production and operates now more like a Wall Street investment firm, structuring securities to deliver the best arbitrage opportunity for accredited investors and institutional partners.

In addition, Jayson created multiple internal committees within the organization, including safety, hedging,

investment and finance, employee benefits, and Environmental, Social, and Governance (ESG). He looks for employees who share his drive to move the company forward.

“When I’m interviewing people and they ask me to describe the culture, I tell them that it’s competitive,” he says. “We push one another with empathy and transparency, with communication and respect.”

He also looks for ways to reward employees and foster a spirit of entrepreneurialism in them as well.

“We offer continuous education and pay for leadership and technical courses,” he says. “PR has also become a currency, rewarding people by nominating them for accolades. We try to take a holistic approach.”

The company offers even greater incentives to entrepreneurial employees who come up with entirely new business ideas.

“We’re open to structuring it like a private-equity model for that individual or team, so that there is additional upside,” he adds.

DIGITAL TRANSFORMATION

Ted Wentz III, 42, grew up working in the Westchester, Pa., warehouse of Quadratic, the world’s largest independent Jeep parts retailer, started by his father in 1990. After college, Wentz went to work for the U.S. Department of Homeland Security and then Toyota before returning home to launch an outdoor cooking equipment business that shared some warehouse and backoffice space with Quadratic.

He did that for nine years, earning an MBA from the North Carolina Kenan-Flagler School of Business along the way, before stepping in as CEO of Quadratic.

“I did have an entrepreneurial spirit, and it was important to me to achieve my own goals outside of the family business but also linked to the family business,” he says. “It allowed my family to feel like I was around and involved, but I was able to achieve my own goals.”

After rejoining the family business, Wentz has led the company into the digital age with a strong emphasis on ecommerce and a pivot to online sales and content creation. Quadratic’s YouTube channel has amassed more than 120,000 subscribers interested in installation videos, product reviews and educational content.

Under Wentz’s leadership, the firm has also expanded to new business lines, including launching a business-to-business division and creating a new brand to sell on marketplaces like eBay and Amazon, where the company did not previously have a presence.

“Those things create diversity in our revenue model, which is really important going forward,” Wentz says. “As the family grows and more family members want to get involved in the business as they get older, this will create more opportunities for them.”

Such initiatives also build excitement among employees.

“They understand that we are trying to do new things and that we are looking forward and not backward,”

Wentz says. “Entrepreneurship is about new ideas, so if you have ideas, bring them forward.”

POWERING SUCCESS

Allison Smith’s grandfather purchased the 50-year-old Union Electric Contracting Company, then known as United Electric, in the 1970s, and her mother started working for the Fort Washington, Pa.-based firm in the 1980s.

“I joined the firm in 1993, thinking I was just going to help out for a bit, but now I’m in my 29th year here,” says Smith, 48. “I just started working with my mom, and I realized I was basically her succession plan.”

Once Smith recognized that she would one day take over the company, she started to think differently about the firm.

“I just got into the entrepreneur mindset,” she says. “You go from maintaining a successful business to having it thrive and grow to give a nice lifestyle to yourself and your employees. We have made some huge growth over the past few years. The year of COVID was our biggest year ever.”

While Smith’s mother is still the titular CEO of the company, Smith is the president and in charge of day-to-day decisions about operations. Among those decisions was going through the steps to get the firm recognized as a woman-owned small business, which she says has given the firm a leg up, particularly in a male-dominated industry.

She also determined that the company needed to build a pre-fab shop, where the firm’s electricians can build some of the components that they need, rather than having to do so on jobsites.

“I’m constantly checking with everyone to make sure they have the things in place that they need to be successful,” she says. “I try to keep the lines of communication open and make everyone feel like they are part of the big picture.” **FB**

***Beth Braverman** is an award-winning freelance writer and contributor to Family Business magazine. Her work has appeared in dozens of publications, including CNN Business, CNBC.com, USNews.com, and Success.*