

SHIFTS IN FAMILY BUSINESSES DUE TO THE COVID-19 PANDEMIC

Dr. Murat Arik

Middle Tennessee State University, TN

Jessikah Riley

Middle Tennessee State University, TN

Azizakhon Mirsaidova

Middle Tennessee State University, TN

Mariyam Sumaiya

Middle Tennessee State University, TN

ABSTRACT

The Business and Economics Research Center (BERC) at Middle Tennessee State University conducted the Family Business Survey from February 13, 2020, to May 23, 2020, to analyze family business frustrations and threats to its survival. This data was split into two sections: before the COVID-19 pandemic and during the COVID-19 pandemic, according to the chronology of the responses. An extensive analysis was conducted on the qualitative responses to two questions regarding "family business frustrations and threats" from the survey for the purpose of this research. Results for the first question found that the top three frustration themes for family businesses were: "time," "family," and "lack." Results from the second question indicated that the most concerning threat before the pandemic was "competition," which fell behind "Coronavirus" during the pandemic. Pre-pandemic concerns regarding technology, cyber-attacks and, cyber-security also reduced during the pandemic, implying an increase in familiarity, comfort, and adoption.

Keywords: Family business, COVID-19, frustrations, threats, employees

INTRODUCTION

Businesses around the world experienced the impact of the COVID-19 pandemic at the beginning of 2020. In the United States, new claims for unemployment insurance went from around 300,000 during the week of March 14, 2020, to 3 million during the week of March 21, 2020, and only grew in the weeks after (U.S. Department of Labor). The number of active business owners dropped by 3.3 million (or 22 percent) from February to April, and the "total hours these owners worked decreased by 29%" (Fairlie, 2020, p. 728). In a study of 3,613 small business owners, the Service Corps of Retired Executives (SCORE) found in the wake of the COVID-19 pandemic, only 26.4 percent of all businesses were able to keep their employees working. In contrast, "73.6% of all businesses had to lay off, furlough, or reduce employee hours/pay due to COVID-19" (SCORE, 2020, p. 5). According to the U.S. Census Bureau's Small Business Pulse Survey (2020), for the week of April 26, 2020, 74 percent of businesses sustained decreases in revenue. Only 16.7 percent had enough cash on hand to continue business operations for three or more months. These are merely a few pieces of evidence that illustrate the impact the pandemic has had on businesses and business owners.

In this unprecedented crisis, some businesses have found it challenging to implement change and keep up production. In a survey of over 206 service employees, Bartsch, Weber, Büttgen, and Huber (2020) observed that most employees found it difficult to transition to a virtual work environment and balance work-family responsibilities. Bartsch, Weber, Büttgen, and Huber (2020) further explain that leaders who insist on reinforcing strict goals and objectives are not helping the individual or team. With this approach, these leaders are counterproductive: they are removing the individual's ability to be self-reliant and develop problem-solving skills in an unchartered crisis-induced virtual environment (Bartsch, Weber, Büttgen, & Huber, 2020).

However, many businesses were able to make changes to their business operations and adapt to these challenges. In an attempt to retain customers, provide excellent service, and keep revenue flowing, some small businesses turned to virtual personal training and coaching sessions via Zoom. Many restaurants began offering take-out or delivery services, in addition to online ordering of meals (Akpan, Soopramanien, & Kwak, 2020).

Although multiple studies and surveys have covered the impact of COVID-19 on businesses, few have focused on how family businesses have been affected by the pandemic. One study conducted during the early months of the pandemic reported that creativity, risk-taking, and future orientation were significantly related to the performance of 114 Kuwaiti family businesses (Zainal, 2020). Another study analyzed qualitative data from 27 European family businesses and found five overarching topics of key interest: protecting liquidity, protecting operations and communications, business models, and cultural changes (Kraus, Clauss, Breier, Gast, Zardini, & Tiberius, 2020). The study also derives from crisis management literature to analyze family businesses' various strategic actions during this pandemic. Many organizations simply persevere in maintaining organizational operations (Kraus et al., 2020). They also engage in some combination of perseverance, retrenchment, and innovation (Kraus et al., 2020). Retrenchment refers to steps taken to reduce costs, while

innovation refers to a mindset of renewal, reconsideration of the existing business model, and recognizing opportunities for change (Kraus et al., 2020).

Even with providing these examples of studies on family businesses, the research done so far has largely focused on all businesses or small businesses. Thus, there is a sparsity of extant literature on the COVID-19 pandemic's effects on family businesses.

Family businesses engage in certain behaviors that may give insight into how they responded to COVID-19. In general, they value long-term survival over short-term performance (Minichilli, Brogi, & Calabrò, 2016), act responsibly towards their stakeholders, and make decisions more oriented towards non-economic goals such as values and principles (Chrisman, Chua, & Sharma, 2005). Their non-bureaucratic structure may also allow them to make fast decisions (Carney, 2005). Due to their debt structure, they are better positioned to ensure the continuance of activities and services and be resilient (Amann & Jaussaud, 2012). De Massis and Rondi (2020) speculate that long-standing family businesses may have an advantage in handling crises because they can lean on their traditions and family values to carry them through uncertain times and learn how previous family members endured hardship.

The purpose of this study is to investigate the changes in threats and frustrations perceived by the family businesses using unique survey data.

DATA AND METHODOLOGY

The Family Business Survey (FBS) data may fill in a portion of the gap in information regarding the pandemic's effect specifically on family businesses. Family Business Survey was conducted from February 13, 2020, to May 23, 2020.

Qualtrics was contracted to contact family businesses and collect survey data; the research team at BEREC did not communicate with the businesses. Working with Qualtrics on the development and distribution of the survey ensures a high level of quality in this project's execution. Through Qualtrics, business owners received monetary compensation as an incentive to participate in the survey. Qualtrics provided a requested sample once the survey deadline had passed. The data gathered in this survey was split into two sections: from February 13, 2020, to March 31, 2020, is referred to as "before the COVID-19 pandemic," while the range of dates April 1, 2020, to May 23, 2020, is referred to as "during the COVID-19 pandemic." These date ranges divide the data in half, with 49 percent of responses gathered before the pandemic and 51 percent during the pandemic. Owners from 311 companies completed the survey.

Although the survey was initially intended to study information about family businesses, the timing presented a unique opportunity to observe any shifts in operations during the early response to the pandemic. Only a portion of the results are examined in this study, as the survey was not focused directly on issues related to the pandemic. This data gives a view of broad changes since it does not capture responses from the same companies before and after the pandemic began.

Survey respondents were family business owners from around the United States. Table 1 below lists the location of respondents' headquarters by state. Several screening questions were used to filter out irrelevant responses, so each participant:

- Owns more than half of their company
- Has voting control in their company
- Earns over a million dollars in annual revenue through their company

Three hundred and eleven (311) responses were collected. The survey was not limited to a certain industry or level of operations; the top three most represented industries are construction, retail trade, and information. Also, 29 percent of these companies operate at the local level, 34 percent at the regional level, 28 percent at the national level, and 9 percent at the international level. Of the 311 respondents, 63 founded their companies before 2000; 92, between 2000 and 2009; and 146, between 2010 and 2019. Additional descriptive statistics related to the survey participants are provided in Table 1.

TABLE 1
Descriptive statistics from survey respondents

Descriptive Statistics			
Industry Classification	Count	Annual Sales	Count
Accommodation and Food Services	16	Less than \$10 million	81
Administrative and Support and Waste Management and Remediation Services	3	\$11 to \$50 million	89
Agriculture, Forestry, Fishing and Hunting	8	\$51 to \$100 million	32
Arts, Entertainment, and Recreation	3	\$101 to \$200 million	30
Construction	46	\$201 to \$300 million	21
Educational Services	2	\$301 to \$400 million	14
Finance and Insurance	37	\$401 to \$500 million	25
Health Care and Social Assistance	5	\$501 to \$750 million	19
Information	40		
Management of Companies and Enterprises	6	Number of Employees	Count
Manufacturing	32	Less than 100	99
Mining	1	100 to 200	86
Other Services (except Public Administration)	7	201 to 500	81
Professional, Scientific, and Technical Services	29	501 or more	44
Real Estate Rental and Leasing	8		
Retail Trade	42	Headquarters	Count
Transportation and Warehousing	7	Alabama	14
Utilities	4	California	15
Wholesale Trade	15	Delaware	4
		Florida	61
Area of Primary Operation	Count	Georgia	50
Local	90	Kentucky	13
Regional	106	Maryland	9
National	87	Mississippi	3
International	28	North Carolina	21
		Ohio	2
Year Founded	Count	Tennessee	27
Before 2000	63	Virginia	30
2000-2009	93	Washington D.C.	29
2010-2019	146	West Virginia	7
		Other	25

The survey included closed-ended and open-ended questions. The qualitative data was processed using the text-analysis software WordStat8. Answers to the questions "List your top three frustrations in your family business." and "What do you consider to be the main threats facing your business in the next three years?" were analyzed. Since each question required three responses, over 900 responses were analyzed for each. The qualitative analyses include the frequency of words that occurred in open-ended questions and provides TF*IDF, a statistical measure of how relevant a word is to a document in a corpus. Also, results include qualitative data analysis, which was descriptively analyzed through MATPLOTLIB, the plotting library of Python programming language.

RESULTS

There are two main questions from the survey that allow us to assess the pandemic's impact: the frustrations of family business owners and major threats to their businesses. Frequency tables for keywords are included in the analysis below.

Family Business Frustrations

TABLE 2
Major word frequencies from the "frustrations" question

Major Frequencies in Frustrations					
Pre-COVID-19 Pandemic			During COVID-19 Pandemic		
Word	Frequency	TF*IDF	Word	Frequency	TF*IDF
Time	27	33.2	Time	22	29.3
Family	19	26.3	Family	19	27.0
Lack	15	22.3	Business	13	20.3
Employees	13	20.1	Money	11	18.0
Communication	13	20.1	Communication	10	16.8
Work	12	19.0	Lack	10	16.8
Money	11	17.8	Employees	8	14.2
Management	9	15.4	Management	8	14.2
Hours	8	14.1	Laziness	7	12.8
Technology	8	14.1	Good	6	11.4

Time. When owners were asked to "List [their] top three frustrations in [their] family business," the most frequently given answer had to do with "time" both before and during the pandemic. In responses before the pandemic, "time" was listed 27 times; the same word was recorded 22 times during the pandemic (Table 2). Amidst the furloughs and reductions in hours experienced in most businesses, time management became an especially important skill to capitalize on when the pandemic hit.

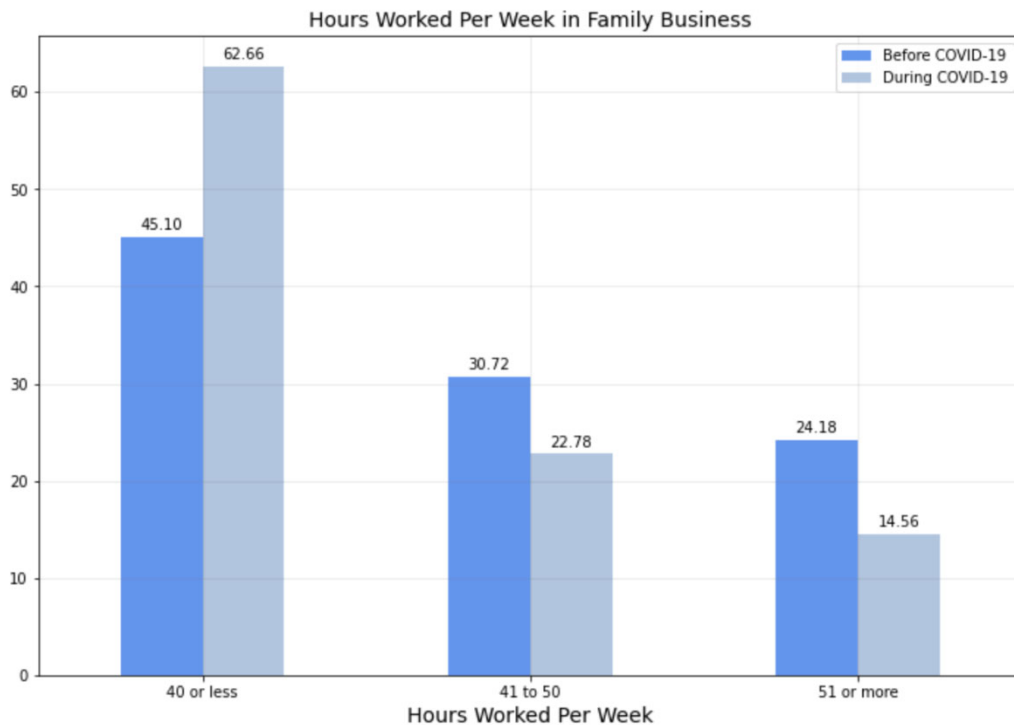
In both categories, the owners of businesses that were established between 2010 and 2019 struggled the most with time: 48 percent of answers related to the time before the pandemic came from owners of companies established from 2010 to 2019 and 55 percent of those during the pandemic related to time were from owners of companies founded in the same period. This suggests that owners of long-established companies are better equipped not only to manage their schedules in day-to-day life but also, to respond to crises when compared to those with newly formed family companies. Younger generations may experience the most challenges in learning to adapt their actions and business plans in the face of uncertainty (Table 3).

TABLE 3
Instances of "time" in "frustrations" before and during the pandemic

Instances of "Time" in Frustrations			
Pre-COVID-19 Pandemic		During COVID-19 Pandemic	
Response	Frequency	Response	Frequency
Time	11	Time	12
Time management	3	Time management	2
Being on time	2	Time convenient	1
Time commitment	1	Not enough free time	1
Adequate employee time off	1	Segmented time	1
My employees need to spend their time better	1	Taking time off or being late because they are related to the business	1
IT on time	1	Being on time when I want off	1
Time to get procedures done in a timely manner	1	Rallying for help from other family members in a time of need	1
Time with family at home	1	Time consuming	1
Time to meet deadlines	1	Time to complete tasks	1
Scheduling myself time off	1		
Time Off	1		
Payment processors and on-time techs.	1		
Separate personal from professional time	1		

Since time is such a large concern for many family business owners, the qualitative data from the question "How many hours per week are you working now?" was analyzed. The results are shown in Figure 1, which displays the variation in hours worked per week before and during the pandemic. Before the pandemic, 69 family business owners worked 40 or fewer hours; during the pandemic, the number of owners working 40 or more hours increased to 99. Also evident is the drop-off in the number of family business owners working 41 to 50 hours or 51 or more hours. This shift in hours worked likely stems from the effects of COVID-19-related lockdowns, as business owners were forced to close their offices and conserve resources. These findings reinforce those of Fairlie (2020), who, using Current Population Survey data, discovered that the hours worked by business owners in the U.S. fell by 29 percent during the period February to April 2020 (p. 728).

FIGURE 1
Hours worked per week by company owners before and after pandemic



Family. The second most mentioned word is “family”, which occurs in the data 19 times both before and during the pandemic. The ramifications of the crisis on business owners' frustrations with family are less obvious initially than those regarding time. However, when the instances are analyzed in context, the issues can be encapsulated in two main categories: the family business creating tension in the family and the difficulty of treating a family member like a non-family employee.

Many of the responses collected before the pandemic were "training family members" or were related to managing family employees as if they are non-family employees. The answers noted during the pandemic seem to convey a higher level of tension: family business owners are frustrated with "Family members not pulling their weight," "Family issues," and "Intrafamily friction." There is naturally a measure of overlap in the responses between the two time periods. However, the issues business owners were having with family members were likely exacerbated by the stress of the pandemic. This would explain the heightened discord seen in the second set of answers (Table 4).

TABLE 4
Instances of "family" in "frustrations" before and during pandemic

Instances of "Family" in Frustrations	
Pre-COVID-19 Pandemic	During COVID-19 Pandemic
Family in-fighting	No clear succession on family business
Training family members	The lack of money to pay utility bills, grocery bills, and rent can cause family conflicts
Training family members	Family employees thinking they deserve more because they're family, especially in compensation
Family	Family issues
Looking beyond a family member and seeing them as an employee	Convincing members to pay attention to the family business
Family gossip	Unproductivity from family members
High turnover of non-family employees.	Working with family
Playing to each family member's strengths.	Family business management is harder
My family needs to realize that I am doing the best I can	Family member not pulling their weight
Time with family at home	Rallying for help from other family members in time of need
Training new family members that are fresh out of high school	A family conflict can impede business relations and decisions
Tardiness due to being family	Family misunderstandings
Lazy family members	Family issues
Training family members like regular employees	Training family members from within
Power struggles within family	Frustrations among employees because of a family member
Taking advantage that they are family	Getting the younger ones to pay attention during family meeting
Find the right management to help the family business	A difference at work can make interacting in the family more difficult.
My family doesn't like me employing my wife to the business.	Intrafamily friction
Treat family employees better than others	Difficult to grow a family business

Lack. Although family businesses may have experienced a reduction in available resources when the pandemic and subsequent response measures disrupted operations, the number of times the word "lack" was used in relation to their frustrations decreased during the pandemic, from a frequency of 15 to 10. In both categories, business owners are lacking various soft skills, attributes, and tangibles. Before COVID-19, business owners wanted more drive, enthusiasm, ambition, attributes, and soft skills geared toward growth.

Conversely, during the pandemic, owners were focused on survival-related soft skills, such as communication, coordination, and honesty. There is also a difference in the resources that they noted to be lacking. Pre-pandemic, the focus was on equipment, skillsets, vacation, and education. During the pandemic, answers highlighted frustration with the lack of money to pay the bills, a successor to take over the business, staff, and goals. This contrast indicates a shift in applied effort from long-term business growth to short-term survival and maintenance of their business needs (Table 5).

TABLE 5
Instances of "lack" in "frustrations" before and during pandemic

Instances of "Lack" in Frustrations	
Pre-COVID-19 Pandemic	During COVID-19 Pandemic
Lack of drive	Lack of money to pay utility bills, grocery bills, and rent
Lack of enthusiasm	Lack of a successor
Lack of ambition	Lack of staff
Lack of interest	Lack of honesty
Lack of integrity	Lack of goals
Lack of accountability	Lack of interest
Lack of equipment	Lack of cooperation
Lack communication	Lack of coordination
Lack of skillset	Lack of communication
Lack of income	Lack of communication
Lack of vacation	
Lack of employees	
Lack of management team	
Lack of continuity	
Lack of education	

Employees. Like the trends seen with mentions of "family," the number of times "employees" appeared in answers decreased during the pandemic. Before the pandemic, "employees" was listed 13 times with a TF*IDF of 20.1, compared to being mentioned eight times during the pandemic with a TF*IDF of 14.2. Pre-pandemic, most responses were related to hiring and employee management; as shown in Table 6, business owners were frustrated by the "high turnover of non-family employees," "retaining employees," and "unreliable employees." These irritations were likely made worse when business owners had to lay off or fire employees after conditions continued to deteriorate in April and May 2020.

As expected, some businesses note "finding good employees" and "number of employees" as a frustration during the pandemic. However, comparatively more employers highlighted the division between family member employees and non-family employees during the pandemic. They said that "family members [think] they deserve more because they're family," "working with families is different than regular employees... and that's tough," and that there are "frustrations among employees because of a family member." The contrast in responses displayed here signals a turn from operational challenges to an increase in emotional and relational strain among family members operating the family business.

TABLE 6
Instances of "employees" in "frustrations" before and during pandemic

Instances of "Employees" in Frustrations	
Pre-COVID-19 Pandemic	During COVID-19 Pandemic
My employees need to spend their time better	Finding good employees
Unreliable employees	Controlling the employees
Training family members like regular employees	Family employees thinking they deserve more because they're family, especially in compensation
High turnover of non-family employees	Number of employees
Finding good employees	Working with families is different than regular employees because there's a personal level there and that's tough
Employees	Employees
Retaining employees	Employees
Not allowing employees to work from home	Frustrations among employees because of a family member
Need more employees	
Retaining good employees	
Employees	
Hiring new employees	
Treating family employees better than others	

Money. The U.S. Census Bureau's Small Business Pulse Survey (2020) indicates that in the first week of their data collection, April 26, 2020, to May 2, 2020, an average of 16.7 percent of companies had enough cash on hand to continue operating their businesses for three or more months. Especially at the beginning of the pandemic, when everything was unclear, cash flow was a major concern. Many of the participants in this survey were formed recently, between 2010 and 2019. Newly formed businesses may face disruptions in cash flow, given that they likely have less cash on hand than well-established firms.

In the data BERC collected before the COVID-19 pandemic, "money" appeared with a frequency of 11 and TF*IDF of 17.8. Surprisingly, the number of occurrences was equivalent during the pandemic but had a slightly higher TF*IDF of 18. This demonstrates that regardless of whether a crisis is occurring, businesses face financial issues and setbacks, which emphasizes the importance of financial literacy and training for businesses to be as prepared as possible (See also Table 2 above).

Business. Mention of the word "business" in responses rose from a frequency of 7 with a TD*IDF of 12.7 pre-pandemic to 11 with a TF*IDF of 20.3 during the pandemic. "Business" went from being the 11th most mentioned word before March 31 to the third most noted word after. The contrast between the word in context before and during the pandemic shows that the owners' frustration regarding aspects of their businesses altered slightly as the pandemic hit.

Before the pandemic, owners struggled with marketing, finding a work-life balance, planning, and budgeting. In contrast, during the pandemic, owners were more dissatisfied with managing the family business, which is illustrated in responses such as "convincing members to pay attention," "a family conflict can impede business relations and decisions," and "I have been deceived by business partners" (Table 7).

TABLE 7
Instances of "business" in "frustrations" before and during pandemic

Instances of "Business" in Frustrations	
Pre-COVID-19 Pandemic	During COVID-19 Pandemic
Keeping up with big businesses	No clear succession in family business
Business expense	Convincing members to pay attention to the family business
Marketing and promoting our business	Family business management is harder
Normal pains of a small business	No code of conduct in the business
Business profits	Taking time off or being late because they are relatives
Separation of personal and business life	Dynamic business environment
Finding the right management to help the family business	A family conflict can impede business relations and decisions
My family doesn't like me employing my wife in the business	I have been deceived by business partners
	Business is not connected
	No paid training in the business
	Opening a new business
	Business
	It is difficult to grow a family business

Threats Facing Family Business in the Next Three Years

Competition & Coronavirus. Company owners were asked, "What do you consider to be the main threats facing your business in the next three years?" Before the pandemic, the most frequent response was "Competition," which was mentioned 20 times in the data. While competition was still a significant issue during the pandemic, it was more statistically significant in the data set from the COVID-19 time period, with a TF*IDF of 28.4 overshadowed by "Coronavirus," which was mentioned 31 times. "Coronavirus" had a TF*IDF of 44.8, making it the most significant term compared to all others in either data set by far. Also apparent is that technology and cyber concerns were pushed down by economic and family worries. This shift demonstrates that family businesses' focus went from advancing and growing their businesses to staying afloat amidst the turmoil caused by the pandemic (Table 8).

TABLE 8
Major word frequencies from the "threats" question

Major Frequencies in Threats					
Pre-COVID-19 Pandemic			During COVID-19 Pandemic		
Word	Frequency	TF*IDF	Word	Frequency	TF*IDF
Competition	20	27.2	Coronavirus	31	44.8
Economy	20	27.2	Competition	21	28.4
Technology	14	21.2	Economy	18	25.6
Business	13	20.1	Family	12	19.2
Cyber	13	20.1	Economic	11	18.0
Lack	9	15.4	Business	8	14.2
Money	9	15.4	Government	8	14.2
Security	9	15.4	Technology	8	14.2
Time	9	15.4	Lack	7	12.8
Family	8	14.1	Money	7	12.8

Technology. While many businesses had to shift their operations to an online environment, the concern surrounding technology decreased during the pandemic. The frequency of the word's appearance in responses was almost cut in half, from 14 pre-pandemic with a TF*IDF of 21.2 to 8 during the pandemic with a TF*IDF of 14.2. There are many potential explanations for this change: it could be due to business owners' increased concern for their family and the condition of the economy, or it is possible that companies have now integrated more technology into their practices. Let us suppose this second possibility is a factor at work here. In that case, many companies may be more comfortable using technology, such as dealing with their online platforms or using Zoom for video conferencing. This adaptation could help companies in the long run, as the increased exposure to new technology makes other new technologies more approachable (Table 9).

TABLE 9
Instances of "technology" in "threats" before and during pandemic

Instances of "Technology" in Threats			
Pre-COVID-19 Pandemic		During COVID-19 Pandemic	
Reponse	Frequency	Response	Frequency
Technology	8	Technology	6
Changing technology	1	Technology integration	1
New technology	1	Keeping up with evolving technology	1
Cost of changing technology	1		
Information technology	1		
Technology advancement	1		
Keeping pace with technology	1		

Additionally, the use of the word "cyber" dropped dramatically. Mentions of cyber-attacks or cybersecurity being a major threat to these businesses went from 13 before the pandemic to 2 in the pandemic. As with technology, it is possible that company owners have become more familiar with managing cybersecurity, and it is, therefore, less of a concern. If this is not the case, the lack of concern for cybersecurity is an extremely dangerous trend, considering the reliance that most companies now have on technology to operate their businesses. Even before 2020, there was a growing trend toward conducting business online; the pandemic and necessary safety measures making in-person transactions unfeasible accelerated this progression. Without strong cyber-security systems in place, businesses are left vulnerable to a range of different technological disasters. On a related topic, mentions of "security" also decreased. Some instances overlapped with "cyber", but "security" unrelated to "cyber" was recorded 6 times before the pandemic, compared to 3 during. This decline is also concerning, as it indicates that many business owners have blind spots when it comes to protecting their companies from potential external threats.

Family. The mentions of "family" as a threat increased. While business owners were certainly worried about their family members' health, that is not the focus of these entries. These business owners are concerned about the threat their family members pose to the business. Responses before the pandemic are very similar to those during the pandemic, including those like "family issues," "family differences," "feuds within the family," or simply "family." While the phrasing of the responses is not drastically different, the number of times that "family" was listed as a threat went from 8 pre-pandemic to 12 during the pandemic, a 50% increase. This hike

in frequency demonstrates the stress that family businesses are experiencing, particularly from the family side. With tighter finances and less ability to hire new people, many businesses' core teams may have been reduced to just the family members, putting additional pressure on them to keep the business functioning in an economically uncertain period while also exacerbating any previous issues that may have been present (Table 10).

TABLE 10
Instances of "family" in response to "threats" before and during pandemic

Instances of "Family" in Threats	
Pre-COVID-19 Pandemic	During COVID-19 Pandemic
Family	Family members
Family	Family misunderstanding
Losing family ownership over time	Loss of non-family employees
Family differences	Commitments from family
The government not helping family businesses	Family size
Younger family members not investing or being a part of the business	New family members
Family financial trouble	Family problems
Family issues	Understanding family members
	Family
	Finding good employees besides family members
	Feuds within the family
	Family threat

Government. During the pandemic, the number of times people listed "government" as a threat also rose. Before the pandemic, mentions of the government were largely vague; of the five responses that included this term, three solely responded "government." During the pandemic, responses were more numerous and slightly more specific. Of the eight responses featuring this word during the pandemic, half listed "government policy" as one of their frustrations. One business owner listed "government regulations" as frustration, and another, "government assurance." It is possible that these answers became more specific while measures related to the COVID-19 pandemic were being instated, although they may be addressing other policies (Table 11).

TABLE 11
Instances of "government" in response to "threats" before and during pandemic

Instances of "Government" in Threats			
Pre-COVID-19 Pandemic		During COVID-19 Pandemic	
Reponse	Frequency	Response	Frequency
Government	3	Government	2
Government laws	1	Government policy	4
The government not helping family businesses	1	Government assurance	1
		Government regulations	1

Lack. The term "lack" is featured multiple times in both data sets but is incomprehensibly out of context. When read in context, it becomes clear that pre-pandemic, most company owners found the lack of employees and resources to be a major threat. For example, some of the answers given were "lack of employees," "lack of equipment," and "lack of resources." During the pandemic, owners were more worried about the lack of potential clients and control over their circumstances: the answers shifted to "lack of clients in the future" and "lack of trust" (Table 12).

TABLE 12
Instances of "lack" in response to "threats" before and during pandemic

Instances of "Lack" in Threats	
Pre-COVID-19 Pandemic	During COVID-19 Pandemic
Lack	Lack of clients in the future
Lack of equipment	Lack of control
Lack of employees	Lack of clients
Lack of funding	Lack of skilled workers
Lack of resources	Lack of trust
Lack of people accepting and understanding the vision	Lack of interns
Lack of qualified employees	Lack of technical talent
Lack of employee	
Lack of employees	

CONCLUSION

There is a sparsity of literature that covers the impact of the COVID-19 pandemic on family businesses. In response to this knowledge gap, the data gathered by the Business and Economics Research Center (BERC) at Middle Tennessee State University in the Family Business Survey were analyzed to determine if any shifts occurred as the pandemic began. The survey was administered to family business owners from February 13, 2020, to May 23, 2020. This data was split into two sections: before the COVID-19 pandemic and during the COVID-19 pandemic, according to the chronology of the responses. The qualitative responses to two questions from the survey, those regarding frustrations and threats, were analyzed extensively for the purposes of this paper.

Results for the first question found that the top three frustration themes for family businesses were: "time," "family," and "lack." Time was the most common concern pre-pandemic and during the pandemic. Owners of businesses that were established between 2010 and 2019 particularly struggled the most with time. The occurrence of "family" increased slightly during the COVID-19 pandemic. A deeper exploration revealed that this crisis is testing the strength of family cohesion instrumental in creating a stable operational foundation for a family business. The theme of "lack" was more commonly observed pre-pandemic. A more in-depth analysis indicated that the absence of communication, unwillingness to grow and innovate, as well as lack of skill-set and education of employees were the major concerns of family business owners. Results from the second question indicated that the most concerning threat before the pandemic was "competition," which fell behind "Coronavirus" during the pandemic. Pre-pandemic concerns regarding technology, cyber-attacks and, cyber-security also reduced during the pandemic, implying an increase in familiarity, comfort, and adoption.

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