SUCCESS BY THE NUMBERS

5 Ideas to Encourage Innovation and Drive Business Expansion
By Marc Kramer

The biggest complaint I hear from children of family businesses is that the older generation is married to the existing product lines, services offered and processes for doing things. The world is changing and the older generation isn’t evolving the business or involving the next generation of leaders in developing the future of the family’s business.

The next generation wants to do something challenging, exciting and make their mark on the business, just as Brian Robert, current chairman/CEO of Comcast took his father’s business beyond providing access to programming to become the entertainment power house that it is today.

Here are five ways to spark innovation and develop potential future revenue streams for the family business:

1. Have a third party survey your current and past customers along with family members and employees to understand all problems, concerns and interests. Just listening will help you develop new ideas.

2. Attend industry trade shows, read trade publications, business magazines, business books and follow social media accounts of industry leaders and prognosticators of new future products. Also, stay current on happenings in industries other than your own to see what you might co-op for your business.

3. Run an off-site strategic planning session that includes everyone from the leadership to the administrative staff and cleaning people. Encourage discussions between members of different departments to get the creative juices flowing. I once got an idea from the head of our janitorial services for a business I was running that made us over $150,000 a year.

4. Hire a group of undergraduate/graduate students to research your competition, examine your product/service and make recommendations based on their findings. People who haven’t hit the work force look at things differently. One of my students had a different take on how I should offer a new product. His suggestion allowed me to raise $2 million.

5. Engage a foreign university to take you on as a consulting project. When I was working for the Wharton School of Business at the University of Pennsylvania, we consulted for companies overseas wanting to enter or expand in the US and offered our assessment of their products and services, which was often different from their assessments done domestically.

Lastly, let the younger generation run with this project with a set of guidelines and the expectation that their ideas will be considered after a presentation to the leadership. This investment in creativity will bring excitement to the business and cement the next generation’s interest in the business’s future.

ABOUT THE AUTHOR

Marc Kramer, executive-in-residence at the Haub School of Business, is a serial entrepreneur, author of six books and has run over 20 startup and four turnaround companies. His expertise is in launching new ventures, marketing, market research, sales, raising capital and leadership. He also writes a national column for American City Business Journal, a regional column for SmartCEO magazine and provides weekly entrepreneurial educational content for KYW News Radio. Follow him @marcdkramer

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