



Family Member Benefits and Employment Policies

Family Member Benefits relate to the unofficial, undocumented and rarely discussed benefits to family members associated in the business. These benefits fall into a broad category limited only by the aggressiveness and creativity of the various family members and frequently include: utilizing a business vehicle for personal use, utilizing business equipment for personal needs, utilizing business employees for personal needs, making personal calls on business telephone, utilizing business credit cards for personal expenses, withdrawals from petty cash for personal needs, etc.

These unofficial perks can provide substantial financial benefits to family members. However, these Family Member Business Benefits also have their hazards. Family members are role models for employees. Non-family employees can resent family members for a casual "personal property" attitude towards business personnel and equipment. This resentment can manifest itself in many ways, including the assumption that they can also use business property for their own personal use.

Also, family member benefits can create friction among family members. Rarely are the limits of these unofficial benefits communicated. Each individual member of a family has a unique perspective of fairness. Consequently, there is the possibility in any family business environment that the opinions of fairness may differ substantially enough to create resentment, bickering and even power struggles.

A Family Member Business policy regarding the utilization of unofficial business perks enhances family unity and employee attitudes. With unity of opinion and adherence to agreements, there is substantially less vulnerability to bad attitudes by employees or friction among family members.

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