

NexTier Bank— An Advocate for Family Business

By Janice Lane Palko

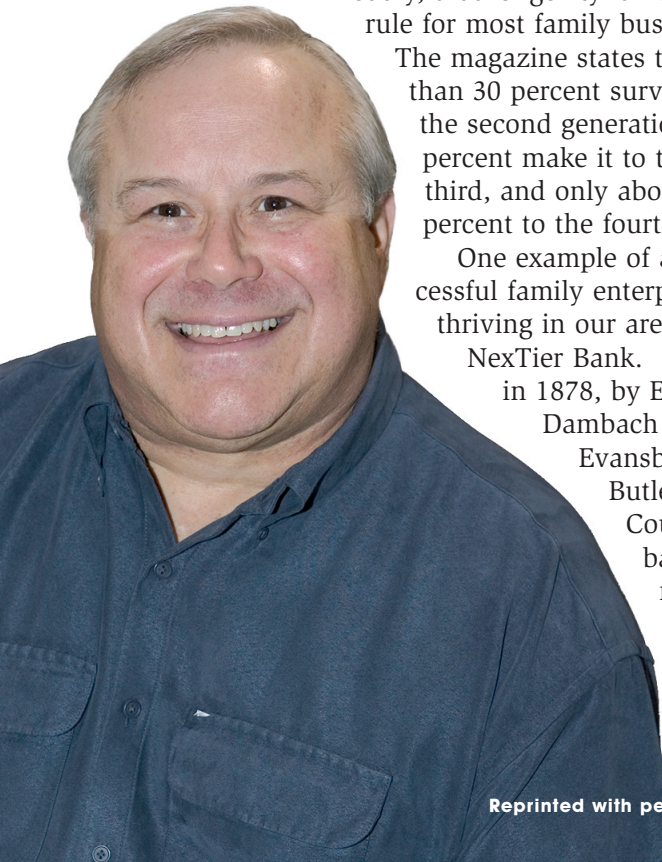
Before the multinational corporation, there was family business. Before the Industrial Revolution, there was family business. Before the enlightenment of Greece and the empire of Rome, there was family business.

— William O’Hara

According to *Family Business Magazine*, the Kongo Gumi family in 578 moved from Korea to Japan to build a Buddhist temple. Some 40 generations later this construction firm is still in business in Japan, making them the world’s oldest family business.

Sadly, that longevity is not the rule for most family businesses. The magazine states that less than 30 percent survive into the second generation, 10 percent make it to the third, and only about four percent to the fourth.

One example of a successful family enterprise thriving in our area is NexTier Bank. Founded in 1878, by Edward Dambach in Evansburg, Butler County, the bank is now in its fourth generation.



tion of family operation. Knowing how important family businesses are to the community and with the hope of bettering those odds for other family businesses, NexTier Bank in March of 2002 founded The Family Business Center.

“Most owners are working so hard they don’t have the time to communicate or do strategic planning,” said Rich Snebold, co-founder of The Family Business Center. “When running a family business in particular, it is easy to make assumptions or let history get in the way.”

The Family Business Center works with privately owned firms as well. However, they do not consult with public companies. Whatever the issue facing a family or privately owned business, The Family Business Center is prepared to help. “I like to compare The Family Business Center to the Cleveland Clinic,” said Snebold, who together with his associates, David Dietrich, PhD and Ronald A. Sofranko, have a combined 75 years of business experience. “When consulted, we do a diagnostic.” Using a series of diagnostic tools, The Family Business Center can help to determine what issues are most important to a company’s well being.

John Henne of the family owned business Henne Jewelers in Pittsburgh credits Snebold and The Family Business Center for resolving some “sensitive” family business issues. “Family businesses can be wonderful and can be challenging,” Henne said. “Through his (Snebold) help, we achieved both our business goals and our family goals of maintaining good healthy relationships with one another. Rich is a great facilitator and really helped us talk about what we wanted from each other and from the business. I would highly recommend Rich to anyone who is dealing with transition or challenges in a family business.”

One common issue is what to do when it’s time to pass the running of the business on to the next generation. “So often, succession planning is neglected. Usually it is only considered when the owner reaches

his or her sixties and begins to ponder retirement. Often times the owner's children are not fully trained to take over the operation," Snebold said.

The Family Business Center is prepared to offer solutions. "We have a team of professionals capable of addressing every aspect of a business. Among the areas we address are law, sales, marketing, human resources, information technology and personal issues," Snebold said.

The Family Business Center's team of professionals are business owners themselves, so they are able to relate well to their clients. The Family Business Center has 30 strategic professionals whose affiliations lie outside of NexTier and five professionals affiliated with the bank. "We have two professionals for each category of concern so that if you don't quite hit it off with one advisor, there is someone else to work with," Snebold said.

D&M Express, Inc., which is based in Zelienople, consulted with The Family Business Center and is well pleased with the result. "The Family Business Center at NexTier Bank's one-on-one mentoring and coaching improved our overall business structure. Not only have we increased our profit, but we have also increased our productivity," said Joella Richard Baker, vice-president of D&M.

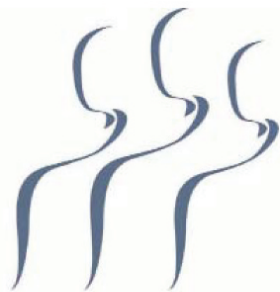
"Their outside approach allows them to see things in your business you may not recognize. They can

identify new ways of hiring employees, dealing with current employees and most of all looking at outside organizations that can provide quality work for your company," said Richard Baker. "Without The Family Business Center, we wouldn't be working with Bookminders in Pittsburgh for our accounts payable needs. Bookminders is a quality organization that saves our company thousands of dollars every year. We can't thank Rich Snebold and The Family Business Center enough for the work they do to help local family businesses."

One distinctive feature of The Family Business Center is their respect for their client's established business relationships. They will work with a client's existing advisor if the client is being served well; otherwise, they have a strong group of advisors who can assist clients with their specific needs.

One recommendation that Snebold thinks almost every business can benefit from is to establish a board of advisors. "Most family businesses don't have a board of advisors, and they can help immensely."

The Family Business Center offers a free initial consultation. Often within approximately 45 minutes they can assess your initial needs and recommend a plan to begin to address them. For more information, visit their website at www.FamilyBizCenter.com or call 888-829-2162. ▲



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