

EVALUATION OF SELECTED ISSUES OF BUSINESS ENVIRONMENT BY FAMILY BUSINESS ENTREPRENEURS¹

HELENA STRÁŽOVSKÁ² – LUBOMÍRA STRÁŽOVSKÁ³
– ANNA VESZPRÉMI SIROTKOVÁ⁴

Hodnotenie vybraných oblastí podnikateľského prostredia z pohľadu rodinných podnikov

***Abstract:** Family business has a short history in Slovakia. Research is absent in its definition, which has not yet been found in the legislation of Slovakia. In the analyses, we focus on the primary research of family business entrepreneurs, because their opinions and comments give impetus to improve economic processes. In the text, we evaluate the original attitudes based on the results of our research in 2000 and the current views of family businesses obtained from the basis of our research conducted in 2018. The family business is characteristic of certain specific features and features that make them exceptional – that is, it includes some specific decision-making procedures, specific business management. The aim of the research was also to find out some of these specific features of family businesses.*

***Keywords:** family business, economic processes, analysis of opinions*

JEL Classification: O 5, L 26, L 53

Introduction

Family businesses are the oldest form of businesses and they make up more than three quarters of European businesses [4]. It is known, that they focus on the long-term sustainability of the company's business, with the prospect, that their descendants will take over the company as their inheritance. Family business definition was declared by the European Commission as follows: "The majority of decision-ma-

¹ The article is the result of research based on Memorandum of Co-operation Between SAMP and University of Economics in Bratislava, 2017.

² Prof. Ing. Helena Strážovská, Ph.D., University of Economics in Bratislava, Dolnozemská cesta 1, 852 35 Bratislava, Slovak Republic, e-mail: strazovska@azet.sk

³ Assoc. Prof. Ing. Mgr. Lubomíra Strážovská, Ph.D., Comenius University in Bratislava, Odbojárov 10, 820 05 Bratislava, Slovak Republic, e-mail: lubomira.strazovska@fm.uniba.sk

⁴ Ing. Anna Veszprémi Sirotková, Ph.D., University of Economics in Bratislava, Dolnozemská cesta 1, 852 35 Bratislava, Slovak Republic, e-mail: anna.veszpremi@euba.sk

king rights are in the possession of the natural person(s) who established the firm, or in the possession of the natural person(s) who has/have acquired the share capital of the firm, or in the possession of their spouses, parents, child, or children's direct heirs. The majority of decision-making rights are indirect or direct. At least one representative of the family or kin is formally involved in the governance of the firm. Listed companies meet the definition of family enterprise if the person who established or acquired the firm (share capital) or their families or descendants possess 25 per cent of the decision-making rights mandated by their share capital" [3]. Economic and social issues of family business were in past presented in Slovak literature. We mainly relied on American and English literature, where this type of business has a long tradition [1, 2, 8]. Our opinions are based on our own research activities [5]. Our aim is to emphasize identical or different views on the basic problems of family business in Slovakia as a starting point for the growth of their efficiency in two periods in the year 2000 and now, in 2018.

The roots of small and medium-sized businesses go deep into the antiquity. The seeds of "small-scale production" and trading were sown by the inhabitants of ancient Greece, Rome, Egypt, and Babylon. These activities were later extended with great dynamics through conquest wars throughout Europe, Africa and Asia [7]. The first major steps in the development of small and medium-sized businesses in our territory were made in the 17th century, when the position of crafts in the world's economy was greatly strengthened. [9, 12]

In the 19th century, for the purpose of more efficient production and saving of energy, manufactory production was being transformed and crafts were completely abolished in 1872 by so-called industrial law [12]. In 1930, Slovakia had more than 98,000 trades, employing over 322,000 employees, the largest of which was the production trade. Trade, banking and insurance accounted for 43.6 % of trades, 2.7 % of culture and sports activities of 0.5 %, and of health 22.2 %. [13]

After the Second World War there was a gradual nationalization of companies, and in 1964 the Labor Code of Labor Law expires [15]. Only in 1989 after the collapse of socialism came to Czechoslovakia (later in Bohemia and Slovakia) the reorientation of the economically-driven economy into a market economy [16]. This step required a change of ownership relations (privatization) and especially the determination of new rules of economic life.

Under these changes, it was necessary to create conditions for the functioning of small and medium-sized enterprises, which was implemented by the adoption of the Act on Trade Licensing (Act 455 / 1991GB) [14]. A family business can be defined as a business that includes several generations, and where the factor of the family interferes with the life and the running of the enterprise. Such an enterprise has a position of penetration of two sets of business set and a set of business interests. [11] Family businesses are not a simple workplace for family members or other employees. Creating a family business means taking on the greatest risks in life because it actually means mixing work and private life and then risking failures in both.

1. Theoretical Background

Every family represents a different world. The main, dominant figure in a family business is the man or woman who sets up the business and wants to develop it and, above all, maintain for their offspring and achieve its goals. The business and the family grow and develop at the same time, in mutual interdependence. For founders of family businesses, their thinking about their offspring is typical.

Family tasks and family relationships

Concerning the employment of children, about the creation of labor-legal relations between parents and children, no legal rule forbids this. However, when the employment relationship is established, all legal provisions necessary for the establishment of the labor-law subjectivity laid down by the Labor Code must be met. The family members are the most sensitive and the most problematic area that provides a wide scope for conflict. [11]

For the children of the founder, the realization of the family business need not be the meaning of their life, their main direction. Researches [10, 11, 13, 16] show that only one of three offsprings have the ambition to take over the family business of one of the parents. They want to apply in a different way, their desire for self-realization. The personal liberty is important – the implementer of a family business must guarantee their children freedom, support of or at least respect for their decisions. Family pressure must be minimized.

Position of non-family members in family business

The number of non-family members depends to a large extent on, among other things, the range of competencies that the business owner attributes to individual employees, from his willingness to place the leading positions of those “right” people, regardless of family affiliation. Its aim should be to avoid the harsh atmosphere between employees, thus avoiding contradictions between family and non-family members, as well as between family members and contributing to the comfort of the company.

A family business does not differ from a non-family business by its structure or definition; it is characterized by certain features and characteristics that make it exceptional – that is, it includes some specific decision-making procedures, specific business management. The family business has its strengths and weaknesses. If we realize this, we can use the benefits to overcome shortcomings, and give our business a greater chance for survival. The unwavering strength of the family business is a special atmosphere and a sense of belonging to the family.

“The mill ceases to flinch in the third generation” – this old saying is worthy to think about. The average life of the family business is 24 years, which is very close to the time the founder operates. Only 30 % of family businesses will survive the se-

cond generation and less than two-thirds of them will survive the second generation. Only 13% of family businesses will survive the third generation. These statistics illustrate the fragility of family business. [9]

One of the main factors influencing the continuity of the family business from generation to generation is the fact that the succession is planned. Scheduling succession ensures a harmonious transition to the next generation. Members of the family business often have mixed feelings about planning succession.

The general trend is clear that two thirds to three quarters of family businesses either die out or are sold by the founding family at the time of the first generation. Only up to five to fifteen percent of these businesses survive until the third generation in the hands of the descendants of the founders. [16]

Family business in Slovakia

Family business is a relatively important part of small and medium-sized businesses. It is mainly focused on small business. Family business entrepreneurs started mostly from nothing. By setting up a business, they have often tried to solve their economic situation. After the loss of employment, they saw a certain outlet in this business, and based on the rather symbolic support of labor offices, they founded family businesses.

Family businesses are still developing in our country [11]. When we talk about a family tradition that precedes from grandfather to father and then to son, we know that this had been interrupted in 1945 – 48 and it was re-created after 1989. There are many unresolved issues in family businesses, such as inadequate consideration of an assisting partner in a family, adjustments to the tax burden on the family, contributions to funds, etc. [13]

2. Methodology

Our results were based on literature research and on comparative analysis of our questionnaire researches in 2000 and 2018, on the sample of 162 (in 2000) and 160 (in 2018) family business enterprises. Research in 2018 was conducted in cooperation with the Slovak Association of Small and Medium Enterprises and Sole Entrepreneurs. We have implemented a set of research methods, contingent Excel tables, statistics, graphs, and analysis.

3. Results and discussion

In this part of our article we will focus on comparison of our researches in 2000 and 2018 with the aim to point up the challenges of family businesses in both periods, especially related to business environment and specifics of family businesses.

3. 1. Research on “Family Business in Slovakia – 2000”

At the end of 1999, family business research in Slovakia was conducted to map the status and direction of family businesses in Slovakia and to identify the majority of problems encountered by family business owners in Slovakia during their performance. The survey was carried out by teachers and students of the EU Faculty of Commerce in Bratislava, and was implemented by using questionnaires containing 26 questions on a sample of 162 respondents.

Questions in the questionnaires were divided into two parts, namely the merit part (18 questions and the statistical part (8 questions)). The survey was carried out in six regions, the most representative of which was the Bratislava Region. Most family businesses were established in the Slovak Republic between 1993 and 1996. Reasons can be found either in a political situation or in legislation that was favorable in the years to start up and start a family business. Since the age of the absolute majority of family businesses did not exceed ten years (i.e. they were founded after 1989), the tradition is very short, as a result of the fact, that the area of family business in Slovakia is not sufficiently envied and institutional roofing is absent [16]. Tables 1 and 2 show the structure of businesses that were involved in our research in 2000 by their legal form and by type of their business activity.

Table 1

Structure of respondents' by legal form of their businesses at their establishment (%)

Self Employed	56 %
Limited Liability Companies	41 %
Joint stock Companies	1 %
Limited Partnerships	0 %
Public Companies	2 %

Source: Own research, 2000.

Table 2

Type of business activity

Agriculture	2 %
Industry	10 %
Internal Trade + Hospitality	20 %
Construction	11 %
Transport	12 %
International Tourism	19 %
Other market revenues	1 %
Foreign trade	11 %

Source: Own research, 2000.

The business area is specific to each country surveyed, depending on its location and focus. The area of agriculture is represented by only two percent in our sample,

which is a minor part in comparison with foreign countries where family businesses (family farms) have much more significant share.

Decision-making in family businesses is strongly linked to the size of share ownership. It decides who owns the business and in most cases (53 %) it was family again. The decisive influence of the family on decision-making was reported by 26% of the respondents and, similarly to the ownership, even in decision-making irrelevant or only 21% of entrepreneurs had a significant impact.

The total number of employees ranged between one and nine, i.e. microenterprises. Based on research, one third of family businesses in Slovakia have 4.5 or more, six employees, but also businesses that do not employ any; on the other hand, some were employing up to one hundred employees. On average, family businesses in Slovakia employ 12.43 employees, compared to those with foreign countries, where the largest private companies are controlled by family clans, this number is many times smaller.

More than 80 % of family businesses employ 1 – 4 family members, from which it can be deduced that family members prevail in family firm businesses.

Family business owners and employees

As is characteristic of the family business and generally for small and medium-sized enterprises at all, the number of owners is relatively low, which has also been confirmed in our research. One owner owns 60% of family businesses, two owners of 23% of family businesses, and enterprises with three, four have also appeared in the sample. In the case of enterprises with one owner, these are typical family businesses where the owner (father) has decision-making power and the property of the enterprise is the property of the whole family.

For the main occupational activity, one, two or three family members per enterprise were employed in individual family businesses. For secondary work, individual family businesses employ on average only 0.64 family members, with 58 % of the owners not employing one and 26 % employing only one family member.

By comparing these data, it can be stated that in the process of succession they enter the phase stage:

- *1st period of personal development*, when the individual worked in the company for the most part on a half-time basis;
- *2nd period of involvement in a company*, when an individual works actively in a full-time firm;
- *Phase 3 of leadership succession*, when an individual is in leadership and / or a president.

Almost half of the owners said that in their family business, a family member in the role of accountant or economist is attributable to mutual trust and discretion accounting data that in most cases are considered to be over-secret in family businesses. Therefore, some owners prefer family members to these functions.

The purpose of this research was also to find out why family business owners

started to do business. 51% of the respondents said that their reason for starting a business was to gain anatomy and independence. Another reason given by 26% of respondents was self-realization, 15% of respondents considered self-employment as a starting point for starting a business as one of the emergencies. Five percent of entrepreneurs started to pursue financial security and 4% of respondents wanted to verify their own business by doing business. The average number of hours worked per entrepreneur per day were 10.48.

The fact that a family business involves the merging of two institutions (family and enterprise) makes it incredibly demanding and complex. This is also evidenced by the working time spent by the owner on the management of the family business. Nearly one-third of the owners (32%) said they worked on average ten hours a day, six days a week. Other owners estimated their average daily time to 8.9, eleven and twelve hours to 12.5%, 13.75% to 12.5%, and 13.75% to owners. For family businesses, one rule applies to working time. Those who decide to join a family business should be ready for the first five years to work harder and longer than ever before.

The way of decision making in the management of the company takes time. 19% of managers were directive in making their decisions; 53% of our respondents were democratic (compromise) managers; and 28% of our respondents belong to businesses, where all family members were involved in management.

The characteristic feature of family businesses is the continuity of business from generation to generation. For the founders of family businesses, their thinking about their offspring is typical. The majority of respondents (81%) have been kept on this issue as it is typical for family businesses: they want the family business they founded and carefully managed, to leave to the next generation. In Slovakia, there were 86% of our respondents family businesses of the first generation, 14% of them were of the second generation, but there is a tendency for the emergence of the new generation in upcoming years.

In our research we were searching for the answer to the question “How do you lead your successor?” We have offered them these reply options (Table 3):

Table 3

Reply options to the question “How do you lead your successor?”

I employ him / her
I personally teach him / her
I leave it to education teach; they are still studying
I have no special reason
Otherwise

Only respondents who answered the previous question positively answered this question. 48% of the entrepreneurs employ their successors; 31% send their children to educational institution to teach them; 12% said they had personally taught their children, and four respondents (6%) who wanted to leave their company to their offsprings had no special way of leadership. Two (3%) respondents said their offsprings is still small and that they “do not have any offspring yet”.

Table 4

Reply options to the question “If you have multiple children, how do you plan to leave the company and manage it for the next generation?”

I have only one child
I have two children and I will divide the company
I leave my company to the oldest son
I will divide it among children according to their ability, and qualifications
I will divide it according to my interest
I'll give it to an older daughter
I do not know / I did not think about it

The passing of a family business to the next generation is considered by 24% of founders to be simple because they had only one offspring to take over the business. The same 50:50 share would be shared by a family business of 23% of the respondents. 17% of the owners would leave the company to the oldest son, the possibility of leaving the company to the oldest daughter was mentioned only by 2%. 12% of the owners planned to leave the company's fate to the interest of the descendants and 11% of the owners according to the skills and qualifications of the descendants when leaving the company. 11% of the owners did not even think about letting and dividing the company to their offspring.

Enterprise and family grow and develop at the same time, in mutual interdependence. Some founders have achieved a remarkable balance between business and family responsibilities; on the other hand, it is possible to meet a situation where the time spent managing the business is at the expense of the free time of the entrepreneur to the detriment of his family. In any case, the founders sought to reconcile family and business life.

We were interested in ways, how family business recruit new employees. We have offered them these options:

- By knowledge
- Based on the selection procedure
- Advertisement
- By function
- Based on a personal recommendation
- Yes, he would prefer a family member to an outsider
- No, he would not have preferred a member of the family to an outsider
- She does not consider recruiting new employees

Family members can trust one another more than trusting people outside the family environment. The question of trust is very important in the wholesale of jewelery. It is just a family business because it deals with those little things that are very expensive, and it is very important to trust who the family works with. Therefore, non-family vendors are not accepted. Research has shown that when recruiting new staff, a member of the family would be in 32% preferred against the non-members, while on the other hand, 27% of the respondents would not have preferred the family member. 19% of the owners are recruiting their employees

on the basis of knowledge, experience and qualification. The selection procedure would be preferred by 9% of respondents. There were some answers pointing to opportunities for recruiting employees based on advertisements and interviews.

Table 4

Issues that you think are family-specific

Carrying family problems into work. Relations
Lack of time for family
Separation of privacy from work
Profit distribution
Finance
Permanent work activity
Breaking free time with work
Need for mutual tolerance
Administrative burden
A family member expects greater benevolence
Stereotype
Risk of misuse of competencies

The family business did not differ from its non-derivative by its structure or definition; it is characterized by certain specific features and features that make it exceptional – that is, that it includes some specific decision-making procedures, specific business management. The aim of the research was also to find out some of these specific features of family businesses on the basis of which the owners consider their business family.

3. 2. Research on family businesses in 2018

We have received a new opinion on family businesses after gaining foreign experience in particular in the United States and other Western countries, where this form of business has a long tradition.

After 2000, entrepreneurs were more sensitive to providing background material. The content structure of our questions was also changed by respondents. The demand for research has also changed, more than fifty questions have been answered by the respondents, which was related to the growth of the scope of activities after 2000.

In the survey in 2000, only eighteen questions were asked. However, family businesses gained a more rapid pace of development. Entrepreneurs were formed in a larger number at the time of Slovakia's accession to the EU and even stronger in the period of our entry into the euro area in 2008.

A completely accurate comparison is not possible, since the research goal in 2018 was different, but the results allow us to make an opinion on family businesses in Slovakia and the changes in almost twenty years. The research role had four parts:

Part I Establishment of family businesses (5, 6, 7)

Year of founding of family businesses and their number increased significantly during Slovakia's accession to the European Union (2004). However, entrepreneurs enter the business process without much preparation. The history of modern business in Slovakia is still too short.

- The legal form of Ltd. prevails over half of new family businesses.

Family members have greatly diversified the repertoire of family business staff. These are the following:

- Wife, husband, parents, grandparents, cousins, daughters and sons, daughters-in-law, and sons-in-law;
- Brother-in-law and sister-in-law, sisters and brothers, cousins, grandchildren and granddaughters, nephews;
- Nieces, old parents, aunts and uncles.

With respect to the number of employed members of the family, a high value is reached in the range $X_{\max} - X_{\min} = 32 - 2 = 30$.

- As for non-family workers, the DPs differ between 2-16
- Explanatory note: Question numbers are quoted in parentheses.

II. Activities of family businesses (11 – 15)

- The accounting, tax and personnel agenda is provided by family members with two-thirds of their employees;
- Two-thirds of family business operating problems indicate that they have no problems; on the other hand, respondents recall forty problems, highlighting:
 - Bureaucracy, regular checks, finances,
 - Business dispute management partners,
 - Legislative changes,
 - Lack of finances,
 - Diversity of management opinions,
 - Fluctuations in sibling revenue and others.
- In family businesses, these questions were not solved at half of them, if the followers became son, husband, wife;
- Problems in the succession of the second generation;
 - There have been seventeen different problems, other views of other family members to disagree;
 - Opinions on the necessary new style of management;
 - Completely different views of the next generation on the management process;
 - Problematic retirement of the original owner;
 - The distribution of responsibility among children;

Findings and suggestions for improving the status of family businesses in Slovakia (20)

There were forty-one opinions, family entrepreneurs cited the following: need for lower tax, tax relief, reduction of tax burden for FB, simplification of employment, lower payments, special relief for family enterprises, projects to support entrepreneurship subsidies, fewer adjustments in laws, simplification of lending, various benefits of family businesses compared to non-governmental, weak regional support.

Family business

Entrepreneurs have spoken about the definition of family businesses. In total, 115 proposals were submitted (22).

These are the following:

- Family business is a well-functioning community;
- Place where we can accomplish our own opinions and visions;
- A very good business based on family trust;
- Creative activity;
- Small business with a maximum of five employees;
- Traditional business;
- Constantly quarrels and business disputes;
- Open, goal-oriented organization;
- The family keeps a treasure;
- Pleasant time spent at work, we come to our attention;
- Self-employment of the founder and family members, transferring the enterprise from generation to generation;
- Most employees are a family with family ties;
- Understanding, communication not order.

Non-family members perform multiple functions. Respondents reported up to eighty-one features (23). Most of them are mentioned below:

- Accounting, all business functions, secretary;
- Storers, chefs, waiters, workers, shopkeepers, cleaners, drivers.

Why entrepreneurs call their enterprise a family (24) – 91 replies

- It was founded by spouses;
- It is led by a family;
- It is a private enterprise;
- It is generative;
- We make it ourselves;
- Owners and employees are a family;
- 100 % belongs to the family;
- The family understands the best;
- All problems are solved by the family together.

Managing the business in term of his or her age, education

Managing family businesses is carried out by half of the respondents, a spouse of one quarter of a wife and one fourth of another relative. With regard to the age of family business owners, the variation range is forty-seven years. This means that family businesses are managed by young people, mostly the middle generation, but leadership is also seventy or more years old.

The business process is an important question of education. (25). In our sample of respondents, one third of the owners have university education, one third of secondary education and one third less and the lowest forms of education. This division also corresponds to the situation in practice.

An interesting business opinion was the answer to the question of which facts should be legislatively regulated for family businesses (26). We have received 66 proposals, of which the most important are: taxes, levies, administrative burden, tax advantage from the transfer of property ownership to a family member, subsidies, the need to draft a family business law, law enforcement, unusual legislative changes, business code, bureaucracy, support for family business, taxation of family members, reduction of wage payments, trade law.

Entrepreneurs have also expressed which factors can destroy the life of a business or a family (29) More than one-third of respondents expressed the possibility of destroying the family's founder's name; two-thirds believed that it could not happen in a functioning family, but they admitted that they could lose their lives, for example, if the company was too indebted or its control was destroyed; if it goes bankrupt; if the partners cannot agree; if it has gone bankrupt; if the family is not cooperating sufficiently; if the firm stagnates; in case of divorce, in the case of a deepening of conflicts, and others. In total, thirty-eight cases were listed.

Opinion of family entrepreneurs on the process of education and training in Slovakia (31)

Two-thirds of respondents consider entrepreneurship preparedness to be reasonable; one-third is of the opinion that preparedness is inadequate in a number of areas and reported 27 cases, of which we choose:

– Education is badly set, obsolete, and graduates have little theoretical knowledge. Unmatched with practice, there are few vocational schools for lack of craftsmen, little practice is in schools, lack of professional competence. Preparing for entrepreneurship should be deepened at secondary schools, lacking financial literacy.

In the research, the question was raised about family entrepreneurs or how much they participate in strengthening the technological capacity of enterprises (34).

This question was not received with enthusiasm, respondents responded only to a minimal extent. Only one-fifth is engaged in research activity, and only one tenth is a member of international clusters. The rest of the respondents stress that they do not have time to do research, they cannot influence the area. Worse, however, that the gro answer means that they do not need to participate, do not care about the problem,

according to their own ideas they carry out research for themselves.

It may be considered meaningful that entrepreneurs perceive the creation of a stronger representation of their interests at national and European levels (35). 85% of respondents do not feel help and effective representation.

Consideration of research merits: the question of the role of women in family business (40)

Two thirds of the respondents are of the opinion that it is woman who keeps the balance in the company. Only 0.12 % of respondents (we call them pessimists) are of the opinion that women have to take care of the family. About one-third did not express their opinions. In the comment, however, they recall “I run the business and I am the head of the family”. More responses to this question arise in favor of women in terms of good ideas, sense of solution, smoothing conflicts, and others.

In family businesses, it is a connection between work and private life. Is Family Life Disrupted? (41)

Half of respondents emphasize the fact that they have a common goal and family business does not lead to disturbing their family life. However, the same part of respondents think that family life is being disturbed because of the loss of interests and over-burden of family members.

As far as the positive aspects of family business (42) the respondents listed ninety-two opinions: time with family and work on their own, trust, reliability, common interests, possibility of self-realization, commitment to work, adaptation of work and leisure time, the same goal, common interest forward, mutual trust and help. The profit remains in the company. In total, we have got ninety-two responses.

In family businesses, however, there are also negative phenomena (43). The respondents quoted them as the fact that the problems in the company are passed from family life and vice versa. It is difficult to get along in business life if the family do not get along in everyday life. There is little time for personal activities, often financial problems, there are problems with suppliers, which were also addressed during a joint dinner. There are no free weekends. Respondents have mentioned also the influx of poor competitive goods.

How do non-family members appear to members of a family business ? (44)

They show the same criticism to both members and non-members, as reported by about one-third of respondents. Another third of respondents have a special opinion, and explain it in comments. The last third of respondents believe that non-family members have the right to make decisions about everything that applies to some family members and they form a separate group. In general, management behavior towards non-family members seems to be different from family management. Most

of the opinion is that they work regardless of whether they work in a family business. They are considered to be equal partners.

Naturally, conflicts occur in every enterprise and family businesses (46).

In our research role, respondents recalled problems related to the performance of tasks (one fifth of respondents), disputes between employees and the owner, not more than one percent of the respondents. One fifth claims that the conflicts that are transferred from the family to the workplace and other unexplained nature of the conflicts prevail.

In relation to family businesses, the greatest dangers that are threatening family businesses (47) must be seen.

In the questionnaire, they reminded of 106 threats, of which we mention: first of all, the idea was the danger of bringing a person who “sniffs” around the business. In addition, the following threats were listed: bankruptcy, frequent legislative changes, lack of finance, long-term sick leave, lack of discipline and respect on the part of labor force, the crushed family, non-corporate interests, conflicts, tax burdens, ruined family relationships, no one to be recruited a family business, the reluctance of younger family members, unpredictable family situations, weak working morals, cabin fever, work and privacy, diversity in decision making, loss of cohesion, death, succession, abuse of family status, and possibly instability in Slovakia.

Conclusion

We have introduced substantial but not exhausting problems of family business. In the text we provide long-term assessments and deal with some persistent problems in the development of family business. We need to emphasize that family-based research has evolved in the spirit of current problems that occurred in a very simple form at the time of the first part of the 2000 research. Research with a nearly twenty-year distance required a different form of questioning. At the same time, it has to be stressed that the extent of problems required to ask the respondent twice the number of questions and to delve deeper into respondents' opinions is increasing.

In this text, we are concerned with selected problems that are close to the first and second parts but not identical. We also underline that as regards the number of entrepreneurs in Slovakia after 2008, i.e. after joining the Eurozone it developed irregularly until 2015. Years 2016 and later have brought revitalization and growth in the number of business activities. At present, economic theory and practice are facing an important task of defining the family business in legislation.

Bibliography

- [1] BARROW, C. 1996. *Základy drobného podnikání*. (Basics of small business). Praha: Grada, 1996. 198 pps. ISBN 80-7169-232-8.
- [2] CHELL, E. – KARATAS- OZKAN, M. 2014. *Handbook of Research on Small Business and Entrepreneurship*. Cheltenham, UK: Edward Elgar Publishing.

2014. 448 pps. ISBN 978-1-84980-923-8.
- [3] EUROPEAN COMMISSION. *Family Business*. [Cit. 2018-12-12]. Retrieved from: https://ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/family-business_en
- [4] EFB. 2018. *Family Business – Facts and Figures*. [Cit. 2018-12-12]. Retrieved from: (<http://www.europeanfamilybusinesses.eu/family-businesses/facts-figures>)
- [5] KROŠLÁKOVÁ, M. – STRÁŽOVSKÁ, H. 2013. *Prípadové štúdie z rodinného podnikania*. (Case studies in family business.) Bratislava: Ekonóm. 2013. ISBN 978-80-225-3700.
- [6] MASSACHUSETTS MUTUAL LIFE COMPANY. 2007. *American Family Business Survey*. Online. [Cit. 2018-08-27]. Retrieved from: <https://www.massmutual.com/mmfg/pdf/afbs.pdf>
- [7] MATWIJ, E. 2018. Čo je rodinná firma. *Pre rodinné firmy*. (What is a family firm. For family firms). [Cit. 2018-09-25]. Retrieved from: <http://www.prerodinnefirmy.sk/co-je-rodinna-firma/>
- [8] McCANN, P. – ORTEGA–ARGILE’S, R. 2016. Smart specialisation, entrepreneurship and SMEs: issues and challenges for a results-oriented EU regional policy. *Small Bus Econ*. 2016 (46). pp. 537–552. [Cit. 2018-10-11]. Retrieved from: www.Springerlink.com DOI 10.1007/s11187-016-9707-z
- [9] MUGLER, J. 2008. *Grundlagen der BWL der Klein und Mittelbetriebe*. Wien : WUV. Universitätsverlag, 2008, ISBN 978-3-7089-0336-1
- [10] PWC. 2018. *Global Family Business Survey 2018*. [Cit. 2018-11-25] <https://www.pwc.com/gx/en/family-business-services/assets/pwc-global-family-business-survey-2018.pdf>
- [11] OKRUHLICA, F. 2018. Udržateľnosť a nástupníctvo v rodinnom podnikaní. (Sustainability and succession in family business.) In: *Ekonomické rozhľady*. Vol. 47 (3), s. 318 – 331.
- [12] SBA. 2018. *Štúdiá rodinného podnikania*. (2018). (Study in family business.) [Cit. 12. 10. 2018]. Retrieved from: http://www.sbagency.sk/sites/default/files/3_studia_rodinneho_podnikania_na_slovensku.pdf
- [13] SIROTKA, V. 2018. Rodinné podnikanie a právne prostredie v SR – niektoré otázky. (Family business and legal environment in the Slovak Republic – some questions.) In: *Ekonomické rozhľady*. Vol. 47 (3), 332 – 347.
- [14] STRÁŽOVSKÁ, H. – STRÁŽOVSKÁ, Ľ. – VESZPRÉMI SIROTKOVÁ, A. – HORBULÁK, Z. 2017. *Obchodné podnikanie na prahu 21. storočia*. (Commercial business on the threshold of the 21st century.) 1. vyd. Bratislava : Sprint 2, s.r.o. 283 pp. ISBN 978-8089710-35-5.
- [15] STRÁŽOVSKÁ, H. – STRÁŽOVSKÁ, Ľ. 2002. *Rodinné podnikanie*. (Family business.) Bratislava : Sprint vfra. ISBN 80-89085-00-8.
- [16] STRÁŽOVSKÁ, Ľ. – STRÁŽOVSKÁ, H. – KROŠLÁKOVÁ, M. 2008. *Podnikanie formou rodinných podnikov*. (Doing business by means of family businesses.) Bratislava : Sprint 2. ISBN 978-80-969927-0-6.