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ABSTRACT

The trend of couples starting their own businesses and partnering in self-employment ventures has been dubbed "copreneurship." Copreneurship is the fastest-growing segment of family-based businesses. Husband-and-wife teams constitute the most visible and most researched category of copreneurs. According to a 1997 study, 30% of family businesses were run by copreneurs. Compared with conventional dual-earning couples, copreneurs tend to be older, more likely to live in suburban or rural areas, and more highly educated. Like other self-employed individuals, copreneurs have more flexibility in setting their own schedules, which provides distinct advantages in many aspects of personal and family life. However, copreneurs tend to work more hours than other couples, and like other entrepreneurs, they have less security than workers in typical corporate or salaried jobs--especially since both partners are self-employed. Perhaps the most difficult issue for copreneurs is contending with pursuing the concurrent life goals of running a successful business and maintaining successful relationships. Although it is males who most often assume the leading role in copreneurial ventures, increasing numbers of women are assuming the leading role. The number of copreneurs is poised to rise even higher as more people strive for greater flexibility in managing work and family, increased jobs satisfaction, and more personal time. (MN)

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Copreneurs

By Nicole Seymour

While entrepreneurship is often characterized as a lonely calling pursued by determined individuals, one employment trend has found couples starting their own businesses and partnering in self-employment ventures. Dubbed "copreneurship," this phenomenon been called "'the fastest growing segment of family-based business'" (Marshall, 1999, p. 9). Lucaccini and Muscat (2001) attribute the increasing interest in copreneurship arrangements to "corporate down-sizing, a return to pre-industrial values regarding family life, a belief in the equality of the sexes, and a desire for greater control of one's own life" (p. 9). The most visible and most researched category of copreneurs is the husband-and-wife team, which is the focus of the studies discussed in this digest.

General Characteristics

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Using data from the 1997 National Family Business Study, Muske, Fitzgerald, and Kim (2002) found that 30% of companies classified as family businesses were run by copreneurs. This proportion is on the rise, having jumped 57% just between 1985 and 1994. It is difficult to estimate the exact number of copreneurs, as some couples may share equally in the company's duties and success but choose to list one person as sole proprietor. A 1990 estimate from Black Enterprise magazine indicated that there were "1.5 million couples in the U.S. that owned and managed a business," while a 1998 Kiplinger's Personal Finance Magazine article, using IRS data on male-female jointly owned businesses, reported 800,000 copreneurial couples (Tompson & Tompson, 2000, p. 4).

Not surprisingly, couples whose primary source of income comes from copreneurship have unique characteristics that set them apart from conventional dual-earning couples. A 1999 survey commissioned by Canada's national statistical agency, Statistics Canada, found that copreneurs tend to be older than conventional dual-earning couples. The average age of copreneurial husbands is 48 years and that of copreneurial wives is 45, compared to 41 and 39 for their non-self-employed counterparts (Marshall, 1999). Also, more copreneurs live in suburban and rural areas than employed couples - 37% compared to 14% (Marshall, 1999) - probably due to the necessity of creating work for oneself when opportunities are scarce. For perhaps the same reason, a 1994 study of copreneurial and conventionally employed couples in the Pacific Northwest found that the latter were more highly educated. Conventionally employed males had an average of 18 years of education and their female partners had an average of 17 years, compared to an average of 15 years for both sexes in copreneurial couples (Marshack, 1994).

Benefits and Drawbacks

Like other self-employed individuals, copreneurs have much more flexibility in setting their own schedules. Statistics Canada's 1999 survey reflected this, finding that 6 out of 10 copreneurial couples had "varying work hours," compared to 2 out of 10 non-copreneurial couples (Marshall, 1999, p. 10). This flexibility provides distinct advantages, making raising a family, maintaining a household and accomplishing daily tasks and chores easier. As one couple explained, working together allowed them to "cover for one another and take time off to deal with [the] children" (Phillips, 2002, ¶19).

While their employment hours are more varied, Statistics Canada's survey found that copreneurs work more than other couples do, with 87 combined hours a week compared to 74 (Marshall, 1999). But no matter how much or how long they work, copreneurs unfortunately face the same predicament that self-employed individuals do: they have less security than those in typical corporate or salaried jobs. This situation may further exacerbate living and family conditions because these risks are increased when both partners are self-employed. As Marshall (1999) notes, "income security and stability may be more at risk when couples choose to work for the same business" (p. 9).

Still, these financial and time drawbacks may be outweighed by the personal benefits of copreneurship. In particular, many experts and copreneurs believe that working together can actually improve a marriage or long-term relationship. Tom Couvares, who manages the computer learning center where his wife is executive vice president, says copreneurship "'makes a weak marriage weaker and a strong marriage stronger. Fortunately we have a strong marriage and it's now even stronger'" (Phillips, 2002, ¶8). One family therapist ventures that such improvement may be due to the increased time spent together - as she says, copreneurship "gives a lot of opportunity for couples to think about their relationship" (Phillips, 2002, ¶25).

Copreneurship also seems to have a distinct advantage for the business, not just the personal, side of things: "'Husband-wife companies tend to last,'" says small business advisor Mary Bruce (Gross Klaff, 2000, ¶5). Furthermore, she explains, "with regular business partnerships, the team's goal can get out of sync over time," but with copreneurship, the team at the helm goes through milestones like starting a family, paying for college and considering retirement at about the same rate, and can adjust efforts and workloads accordingly. Otherwise, said one wife, "there's no other business partner that would understand about the importance of our kids" (Gross Klaff, 2000, ¶17).

Making it Work

Perhaps the most difficult thing for copreneurs to contend with is the fact that they are in pursuit of "two concurrent life goals that often make contradictory demands" (Tompson & Tompson, 2002, p. 2): running a successful business necessitates single-mindedness and persistence, while successful relationships need mutual support and time investment. Therefore, copreneurship expert Azriela Jaffrey contends that, beyond obvious needs like extensive business planning and time management, copreneurial relationships require "assumption of complementary roles, and an ability to respect boundaries between work and personal life" (Lucaccini and Muscat, 2001, p. 10). This might mean scheduling all daily activities, including "dates" where business cannot be discussed.

Many couples and researchers believe that these complementary roles, or, more specifically, "clearly defined work roles" (Tompson & Tompson, 2000, p. 10), are actually paramount in making copreneurial life work smoothly. One couple told journalist Matthew Phillips that, although time together is important, so is respecting the other person's independence. Therefore,

the husband, "who describes himself as quiet, handles the business side, while [the wife], who is more outgoing, does more on the promotional side" (Phillips, 2002, ¶16). Such division of labor, they say, not only makes the business run more efficiently, but also gives them something to talk about and opportunities to learn from each other.

Gender Differences

Studies have found that "the copreneurial husband tends to be the primary business decision maker, [although] the wife is an equal partner overall in sharing the activities and responsibilities of the firm" (Lucaccini and Muscat, 2001, p. 6). These decision-making efforts may account for the fact that, while copreneurial couples put in more total hours than traditionally employed couples, the male partners work more time on average than the female partners. Statistics Canada's 1999 survey found that both copreneurial and traditionally employed wives work an average of 34 hours a week, while their male counterparts work 51 and 40 hours, respectively (Marshall, 1999). Marshack's (1999) study of Pacific Northwest couples found slightly different numbers, but copreneurial men still worked longer hours - 60 compared to wives' 49.

A major factor affecting these stratified work hours is that "copreneurs are quite traditional in their sex-role orientations while dual-career couples are more androgynous" (Marshack, 1994, p. 62). Therefore, not only do copreneurial wives tend to handle more "women's" work (such as secretarial and bookkeeping functions) in the workplace, but they may also spend a disproportionate amount of time tending to household matters while their husbands log more work hours. In fact, Marshack found that, while taking care of buying groceries was exclusively the wife's job in 64% of copreneurial couples, only 36% of dual-career couples had such an arrangement. While this may have disappointing implications in terms of feminism, many

experts are quick to note that role polarization may simply be "an adaptation that is more suitable to co-preneurs than to dual-career couples" (Tompson & Tompson, 2000, p. 9).

However, many researchers note that women are assuming the lead role in copreneurial ventures and small businesses. Rudy Lewis, president of the National Association of Home-Based Businesses, estimated in 2001 that "the number of husbands becoming partners with their wives ... or reporting to their wives has grown by as much as 50 percent over the last five years" (Koss-Feder, 2001, ¶6). Such increases have been attributed to "the growth in financing resources for women-owned businesses and the greater acceptance of women at the helm" (Koss-Feder, 2001, ¶8).

No matter which partner wears the proverbial pants in the relationship, it appears that copreneurship arrangements will continue to have an impact on the institution of the family business. The number of couples in business together is poised to rise even higher as more and more people strive for greater flexibility in managing work and family, increased job satisfaction, and more personal time. Currently, most of the research on copreneurship has focused on married heterosexual couples, though non-married and same-sex couples engage in copreneurship for these same reasons. To truly reflect the multiple and complex meanings of "family" in society, more research into the lives, characteristics and experiences of all types of copreneurs is needed.

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