

2022 St. Louis Regional Business Owner Study results released

By **DR. RONDA SAUGET**
For the **Illinois Business Journal**

Over 150 business owners participated in the 2022 St. Louis Regional Business Owner Summit on Oct. 26 at the Renaissance St. Louis Airport Hotel. The Business Alliance Masterminds, a professional networking group for business owners throughout the St. Louis and Southwestern Illinois region, hosted its third major regional event. The Summit is an exclusive event for current and future business owners to educate them on the value acceleration methodology, how to best prepare for transitioning their business in the future, and key information on harmonious family-owned business strategies. Speakers also discussed the importance of small and midsize businesses as the foundation for strong community economic development and municipal revenue sustainability. The Owner’s Summit featured the results of the 2022 St. Louis Regional Business Owner Study conducted by Dr. Gloria Sweida, a professor at Southern Illinois University Edwardsville.

“The Business Alliance Masterminds is thrilled to share the results of the St. Louis Regional Business Owner Study. It includes responses from over 200+ business owners throughout the St. Louis Metropolitan region,” said Jim Maher, founding member of Business Alliance Masterminds and CEO and Founder of Archford Capital Strategies, LLC.

Maher further stated, “The Summit provided business owners with tangible tools to position their companies and set their teams up for long-term success and growth. Small and midsize businesses are community heroes that provide over 90 percent of the jobs and tax support for municipal services, such as firefighters, police officers, and teachers. It has been a long-term goal of mine to provide these businesses with a strong voice at the table.”

The Summit keynote speaker was Doug Tatum, author of “No Man’s Land: Where Growing Companies Fail.” Tatum has won four National Best Business book awards. His insights about the economy and business have been cited in hundreds of media outlets including Inc. Magazine, The Financial Times,

and The New York Times online. According to Tatum, “Understanding the dynamics of emerging growth companies in a community and in the U. S. is incredibly important to our economy.” A panel of key experts led by Jim Maher, Archford Capital, Brent McClure, Partner & Leader of Business Transition Services, Anders CPAs, and Mark Goldenberg, Partner, Goldenberg Heller Antognoli P.C., funded the study to understand the challenges small and midsize business transitions as they emerge into the new post-pandemic business environment. According to Brent McClure, “While large businesses received most of the attention, financial incentives and other programs; it is the small and midsize businesses who are the economic foundation of our communities. With proper strategic planning aided by experienced advisors, these firms build multi-generational business legacies. Establishing a strong transition team is the key to revenue sustainability and long-term generational success.”

The study findings listed that if an estimated 80 percent of a business owner’s wealth is their business, then it is imperative that the business owner knows how to monetize this asset. According to Dr. Sweida, “Successful monetizing of the company can not only fund the business owner’s retirement; it can provide the confidence to face the “what ifs” life may throw their way without jeopardizing their long-term financial security.”

Family businesses accounted for almost half of the business owners in this study, and 84 percent were wholly owned by the families.

Just a snapshot of some of the critical research findings indicated that 55 percent of family-owned firms stayed in business for just one generation, 28 percent lasted two generations, and only 17 percent lasted three generations or more.

This research further indicated that 97 percent of the second-generation business owners reported being in the decline stage, meaning without further planning, preparation, and innovation, this group of businesses would likely not make it to the third generation.

According to Mark Goldenberg, “Helping clients from the beginning with

the right team of professionals is a critical part of any business strategy and especially as a client considers transitioning their business to the next generation or sale to an outside buyer. Preparation and planning are equal parts of a strong and consistent business strategy for all of our clients.”

The study emphasized that family planning meetings benefit family members and non-family member employees. According to the study findings, family meetings allow family members to develop leadership, management, conflict management, listening, and speaking skills. Family members can acquire strategic, capital, estate, or transition planning knowledge. Further, employees can also benefit when family businesses have family planning meetings. The meetings let employees know the family’s commitment to the business’s future and to helping the employees be successful.

Specifically, 59 percent of the family businesses conduct family planning meetings, and 41 percent report having had a family planning meeting in the last year. However, the study noted that only 23 percent of the firms that conduct family planning meetings have an up-to-date family readiness plan.

Charles Brueggemann, Archford Consulting Family Coach indicated, “From years of family business coaching, I have learned that transitioning a business is sometimes very emotional

for the family members directly involved in the business and those who casually participate in business activities. I often suggest that preplanning and intentional communications are critical in developing more harmonious transitions.”

The study highlighted that most business owners will only transition a business once, so doing it right means doing it right the first time. Business owners must understand how to maximize the transferable business value and position the business to harvest its wealth successfully. However, even if owners have no intention of selling in the near term, a strategic planning process should be in place to increase growth’s longevity, thereby allowing owners to maximize long-term value.

It is the focus of this Summit to bring awareness, knowledge, and resources to help small and midsize business owners to maximize asset value, drive sustainable profitability, and prepare for future transitions. Healthy small and midsize businesses are the heart of strong community economic development and robust job creation for our region.!

For more information and resource help, the 2022 Regional Business Owner Study is available at www.archfordcapital.com or by contacting any of the leading firm representatives.

Ronda Sauget, D.MGT, MBA, is a strategic consultant for Archford Consulting.

Ameren Illinois continues managing the global energy challenge

By **TUCKER KENNEDY**
For the **Illinois Business Journal**

For the better part of a year, consumers and businesses have seen significant increases in the costs of goods and services, from gasoline to groceries. At the same time, global events (some call it a “Perfect Storm”?) have led to dramatic changes in global energy markets that are being felt here at home. The record increases in the price of electricity and natural gas we’ve experienced downstate starting last year are having a significant impact on our residential and small business customers.

At Ameren Illinois, we know our customers count on us every day for the energy they need, and no one wants to see increases in their energy bills. That’s why we have been proactive in helping our customers why this is happening and, most importantly, what they can do to manage their energy usage and mitigate the price impact.

If you’re on the fence about energy efficiency for your business, it’s an opportune time to start with a FREE Energy consultation from Ameren Illinois. Our team of experts will conduct a thorough examination of all phases of your operations to look for changes big and small that can reduce your energy usage and shave dollars off the monthly bill. Call 1.866.800.0747 or email IllinoisBusinessEE@ameren.com to schedule your consultation.

Through our Small Business Direct Install program (SBDI), you’ll get “watt-saving” strategies and direct installation of energy-efficient lighting and refrigeration products by a registered Program Ally. Instant incentives help offset the costs of upgrades or projects with discounts at the point of purchase via participating distributors on items like central air conditioners, heat pump water heaters and air-source heat pumps.

And finally, standard lighting incentives have increased for the remainder of 2022, up to \$0.50/watt reduced, and incen-

tives for gas projects now range from \$1/therm for Private Sector and \$2/therm for Public Sector. To learn more about these incentives and many other available incentives, visit AmerenIllinoisSavings.com.

Why are energy costs spiking? Inflation, an increase in industrial demand following the pandemic, and the conflict in eastern Europe are partly to blame. Another key factor is the transition away from fossil fuel generation without a sufficient supply of renewable energy to fill the gap.

Regarding the energy bill, keep in mind that Ameren Illinois is a delivery-only company. A state government agency buys the electricity Ameren Illinois delivers to residential and small commercial customers and the costs are passed directly, dollar for dollar with no profit. The supply side of the bill also includes a capacity charge, which is paid to electricity generators to ensure that enough power will be available on days when demand is the highest. Capacity prices are set according to an annual auction conducted by the federal grid operator called the Midcontinent Independent System Operator (MISO).

Natural gas is purchased by Ameren Illinois in the summer and stored for use in the winter. Like electricity, the natural gas supply is a pass-through cost that makes up more than one-half of the total energy bill. Ameren Illinois mitigates the impact of higher natural gas prices through price hedging, and more than 83 percent of the gas Ameren Illinois will deliver this year has already been purchased or hedged, reducing market price volatility.

We’re committed to helping our customers through these challenging times. If you or someone you know is facing difficulty paying their energy bill, reach out to us. Information on assistance is available at AmerenIllinois.com/EnergySelfCare.

Tucker Kennedy is the director of communications and public relations for Ameren Illinois.



Attorneys of Southwestern Illinois COMING IN DECEMBER

Contact Charlie Huelsmann for details on how your firm can appear chuelsmann@better-newspapers.com or (618) 973-0414