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Identifying the relationship between ownership change and mission continuity among small business in Vermont

Abstract:

Small businesses are arguably the most important employer in the US economy, as well as the local Vermont economy. Of the 17,908 small businesses located in Vermont in 2010, approximately 90% of those were firms with 1-19 employees, employing 64,200 people while the remaining 10% were categorized as firms with 20 – 499 employees, employing 93,500 workers. According to SBA, the 157,720 Vermonters employed by small businesses in 2010 represented nearly 60% of the private sector work force. Nationally, small businesses make up more than 99% of all employers and have created approximately 75% of net new jobs in recent years. Ownership transition in business is a subject that has been studied at length in academia and the public sector; however, there is little research on the specific impacts of insider ownership change among small businesses. There is a growing body of research identifying what factors classify a company as having a strong (corporate) socially responsible (CSR) or environmentally responsible (ER) image, and how that image leads to an inherent identity within the company. This research study will look at the relationship between ownership change and mission continuity in small businesses. This study will specifically focus on companies who have gone through an insider ownership transition to identify the influence of ownership change on the incorporation of CSR/ER in a business' mission. This research will look to find factors that enhance or potentially disrupt mission continuity. In-depth interviews will be conducted as part of a cross-case comparative analysis with small business owners throughout Vermont to identify the relationship between ownership transition and mission continuity.