

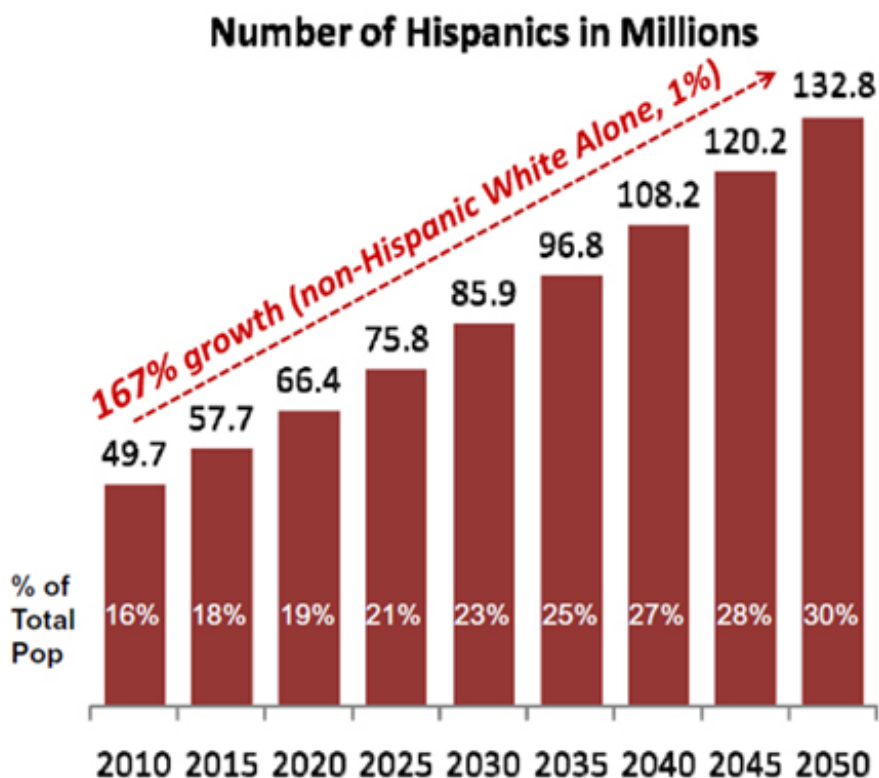
Hispanic Business Owners Struggle with Financial Planning

Posted At : March 28, 2013 9:26 AM | Posted By : Dr. Suri Weisfeld-Spolter

Related Categories: Hispanic Market

Hispanics, up 167% 2010-2050 across all ages

South
Florida
is a



Source: Projections of the Hispanic Population (Any Race) by Age and Sex for the United States: 2010 to 2050, Population Division, U.S. Census Bureau, Aug 08.

multicultural area with a strong, vibrant Hispanic community that is an essential part of our culture and economy. Florida has the 3rd largest Hispanic population in the United States. The success of Hispanic-owned businesses is vital to our community and our local and national economies. However, there is one significant challenge that could potentially impede the levels of growth and success for Hispanic entrepreneurs as revealed by research stemming from collaboration between DBS Financial Group and

Results of the survey showed that in general they lacked in-depth understanding of financial products and services. Findings revealed challenges in 6 key areas where effective financial planning is extremely important for personal and business success and survival: family responsibility, levels of financial knowledge, retirement planning, achieving long-term goals, generational differences, and succession planning.

Major findings of the study included the following:

1. 80% of these business owners are financially responsible for dependents including children, parents, and other family members.
2. 51% have family members other than children who rely on them for financial support.
3. 43% have both children and family who depend on them for financial support.

4. Those with business revenues below \$500, 000 were less knowledgeable than those with revenues above \$500, 000 for both businesses and families.
5. All respondents shared that they do not believe that they are doing a good enough job preparing for retirement.
6. Business owners had achieving their long-term goal as top priority but were not sure of their ability to do so.
7. There is a relationship between the number of employees and business generation type. For example, 1st generation businesses have an average of 7 employees; 2nd generation, 6 employees; and 3rd generation, 19 employees.
8. 90% of the business owners surveyed expected to pass their business onto a family member.

Since financial knowledge is critical yet lacking, it is important to educate Hispanics about financial responsibility as this affects entrepreneurial success, local economic growth, and personal and family well-being. It is recommended that the Hispanic community actively seek opportunities available through business, academic, and professional organizations to learn more about financial planning.

Suri Weisfeld-Spolter, Ph.D., is Assistant Professor of Marketing and Acting Chair of Doctoral Programs at the H. Wayne Huizenga School of Business, Nova Southeastern University. She can be reached at 954-262-5192 or sw887@nova.edu [Read More](#)