



FBR

## FAMILY BUSINESS REVIEW

September 2020

### EDITORIAL

Managing Traditions: A Critical Capability for Family Business Success  
*Roy Suddaby and Peter Jaskiewicz*

### ARTICLES

Community Socioemotional Wealth: Preservation, Succession, and Farming in Lancaster County, Pennsylvania  
*Nancy B. Kurland and Sara Jane McCaffrey*

Signaling and Stakeholder Honesty: On the Individual and Combined Effects of Owner Family Membership and Religious Affiliation  
*Frauke von Bieberstein, Ann-Kathrin Crede, Andrea Essl, and Andreas Hack*

The "Most Wanted": The Role of Family Strategic Resources and Family Involvement in CEO Succession Intention  
*Giovanna Campopiano, Andrea Calabrò, and Rodrigo Basco*

Family Versus Institutional Involvement in Restructuring: Evidence From the Communications Equipment Industry  
*Erick P. C. Chang and Sharon D. James*

PREPARED EXCLUSIVELY FOR FFI MEMBERS

# Early Release: September 2020 Issue of *FBR*

AUGUST 14, 2020



We are pleased to provide you with an advance look at the September 2020 issue of *Family Business Review (FBR)*.

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## EDITORIAL

### **Managing Traditions: A Critical Capability for Family Business Success**

*Roy Suddaby and Peter Jaskiewicz*

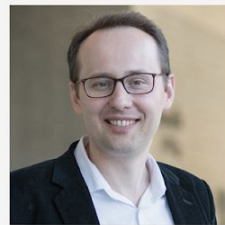
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The authors focus on traditions and on the role they play in the success of family businesses. Suddaby and Jaskiewicz argue that “family business success and longevity are directly correlated with the capacity to successfully manage the creation, maintenance, and intergenerational transmission of traditions.”



**Roy Suddaby**

University of Liverpool  
University of Victoria



**Peter Jaskiewicz**

University of Ottawa

## ARTICLES

### **Community Socioemotional Wealth: Preservation, Succession, and Farming in Lancaster County, Pennsylvania**

*Nancy B. Kurland and Sara Jane McCaffrey*

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#### **Research Questions**

- Can SEW theory expand from the family unit to explain endowment preservation at a community level of analysis?
- How can we understand the strategic logic of family business owners who choose to preserve their farmland?
- Does Community SEW imply that social relationships in the community may supersede intergenerational family ties?
- How does Community SEW expand Berrone et al.'s (2012) FIBER dimensions of SEW?

#### **Implications for Practice**

- This research provides insight for policy makers and social entrepreneurs. With an understanding of how managers at family-owned businesses seek returns on the community level, local leaders can structure regulations and programs to elicit Community SEW desires, and encourage family business leaders to pursue pro-social policies.
- This research provides insights for the localism movement. Members of the localism movement might consider the role of a Community SEW to influence decisions by controlling families to reinforce a local-based economy. Controlling business families will retain ownership, as they value maintaining their community's uniqueness over the profit they could gain by "selling out" to a corporate chain.



**Nancy B. Kurland**  
Franklin & Marshall College



**Sara Jane McCaffrey**  
University of Pennsylvania

## Signaling and Stakeholder Honesty: On the Individual and Combined Effects of Owner Family Membership and Religious Affiliation

*Frauke von Bieberstein, Ann-Kathrin Crede, Andrea Essl, and Andreas Hack*

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### Research Questions

- Is owner-family membership of managers an effective signal to elicit honest behavior by a firm's external stakeholders?
- Is religious affiliation of managers an effective signal to elicit honest behavior by a firm's external stakeholders?
- Are family managers perceived as more religious?
- Is there a reinforcing effect of owner-family membership and religious affiliation of managers in eliciting honest behavior by a firm's external stakeholders?

### Implications for Practice

- Family managers can increase stakeholders' honesty by signaling their owner-family membership. This finding supports the inherent value of the family firm signal and suggests this specific characteristic to be publicly accentuated.
- Family managers can increase stakeholders' honesty by signaling their religious affiliation. Hence, religiosity still seems to be important and should be signaled to stakeholders.
- The combination of both signals reinforces the effect of increased honesty, suggesting that religiously oriented family managers can increase the chances to operate with honest stakeholders by publicly underlying their owner-family membership and religiosity.



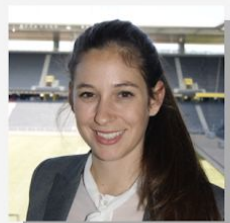
**Frauke von  
Bieberstein**

University of Bern



**Ann-Kathrin  
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**Andrea Essl**

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**Andreas Hack**

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## The “Most Wanted”: The Role of Family Strategic Resources and Family Involvement in CEO Succession Intention

*Giovanna Campopiano, Andrea Calabrò, and Rodrigo Basco*

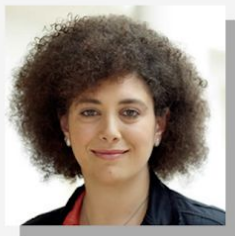
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### Research Questions

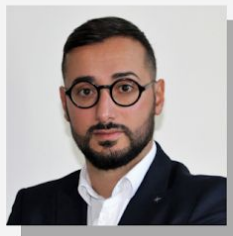
- What strategic family resources affect CEO succession intention in a family business?
- To what extent does family involvement have an effect on the strategic family resources-CEO succession intention relationship?

### Implications for Practice

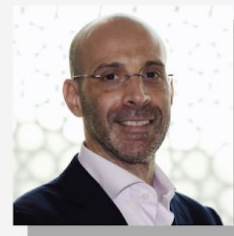
- To thoughtfully handle succession processes, it is important to acknowledge what family strategic resources determine a competitive advantage before the succession event actually happens.
- The effect of human capital on the preference for a non-family successor suggests that family firms consider skills and experience to be so important for sustained competitive advantage that they will opt for a professionalized business.
- The careful assessment through a priority “checklist” of the core family strategic resources can enlighten the process of succession planning.
- To effectively exploit family strategic resources it is fundamental to match this “checklist” that helps identify which family strategic resources can be an asset rather than a liability for the future of the family firm with the most fitting composition of the TMT that will effectively use those resources.



**Giovanna Campopiano**  
Lancaster University



**Andrea Calabrò**  
IPAG Business School



**Rodrigo Basco**  
American University of  
Sharjah

## Family Versus Institutional Involvement in Restructuring: Evidence From the Communications Equipment Industry

*Erick P. C. Chang and Sharon D. James*

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### Research Questions

- How the decision to restructure can be perceived differently for both family and institutional owners.
- How do family-controlled publicly-traded firms in financial distress manage the tension between achieving economic and non-economic goals?
- What effect does a corporate restructuring have on retaining family control in a publicly traded firm?

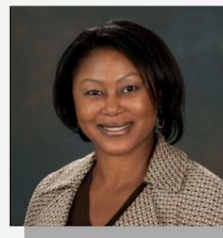
### Implications for Practice

- Family leaders may need to build an endowment of social skills to manage external pressures that can dilute the family's role in corporate governance before going public.
- Family leaders may need to balance the interests of non-family investors in pursuit of economic returns with their efforts to pursue noneconomic goals.
- Family owners of publicly-traded firms may need to establish mechanisms for incorporating and/or promoting family members to preserve future social-emotional wealth.



**Erick P. C. Chang**

Arkansas State University



**Sharon D. James**

Arkansas State University

## PREVIOUS EDITION



This week we are proud, pleased, and enthusiastic about featuring the eight faculty members who serve in the Advanced Certificate program and teach the required courses in these two program. Here they are with some of their thoughts on why they participate in this important FFI educational initiative.

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## DATES TO REMEMBER

AUG  
19

**Join the FFI Midwest Chapter for a virtual meeting on August 19.**

[VIEW DETAILS AND REGISTER](#) – you don't have to be in Chicago!

SEP  
1

**Last day to enroll in Q3 GEN courses.**

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SEP  
15

**Deadline for 2086 applied research proposal submissions.**

1. The Future of Work and Its Implications for Practice with Multi-generational Family Enterprises

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2. The Role of the Advisor in Fostering Family Enterprise Governance Durability

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OCT  
1

**Last day to register for the 2020 Virtual Global conference.**

Space is limited, so don't delay.

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