The continuity of Entrepreneurial Families:

Analyses from an internal and external perspective

Deusto
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University of Deusto

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Supervisors

Dr. Cristina Aragón Amonarriz

Dr. Cristina Iturrioz Landart

PhD Candidate

Paula Martínez Sanchis

Deusto Business School, University of Deusto

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A mi yaya y a mi yayo, a mi abuelo y a mi abuela,

por ser raíces profundas en el árbol de mi vida

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“Digo que importa mucho, y el todo, una grande y muy determinada determinación de no parar hasta llegar al final, venga lo que viniere, suceda lo que sucediere, trabajase lo que se trabajare, murmure quien murmurare...”

(Camino de perfección, Santa Teresa de Jesús, 1583)

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ABSTRACT

The continuity of Entrepreneurial Families: Analyses from an internal and external perspective

The ubiquity of Family Businesses (FBs) in most territories worldwide makes of their continuity a subject of interest for academics and practitioners alike. A distinguishing feature of this particular form of business is to be in the pursuit of continuity by implementing a transgenerational vision. In the quest for it, the Entrepreneurial Families (EFs) running the businesses face several obstacles that can jeopardise the successful attainment of survival. This Doctoral dissertation addresses EFs' continuity from an encompassing internal and external perspective through the conduction of three empirical investigations under the form of three research papers.

In the first research paper, the internal perspective is tackled by delving into the tacit sphere of perceptions that emerge within the FBs during the intra-family succession process. Particularly, because, according to literature on leadership, the expectations of leaders influence the performance of followers, in this first investigation, the so-called Pygmalion Effect (PE) is applied to examine how it is developed and how it can be preserved in the context of family Small and Medium Enterprises. To do so, a qualitative investigation is conducted by focusing on the intra-family succession processes of four in-depth cases. Offering a kaleidoscopic view, empirical evidence stemming from the research demonstrates that the PE supports incumbent, successor, and key stakeholders' expectations through the process.

Secondly, the external perspective is investigated by the two remaining research papers. For EFs to continue and grow, remaining embedded in the territory is required. Despite this, the study of embeddedness as a binding mechanism that ties the FB to the

territory had been scarcely researched. To fill this void, in the second research paper an exploration on how territory impacts on EFs' embeddedness is conducted. From a territorial perspective, the cultural, political, structural, and cognitive modes of embeddedness are revisited. After analysing twenty-five semi-structured interviews, findings unveil that the EFs' embeddedness can be impacted by the territory via these four modes. Specifically, a framework of sixteen territorial factors were identified, being two of them labelled as transversal given their simultaneous operation in more than one mode of embeddedness.

Finally, the third research paper examines the local embeddedness of EFs from a multi-territorial perspective. Considering that, EFs are not only entrenched in their territories, but also in institutions, to understand how different institutional settings impact on EFs' local embeddedness has relevant implications for their continuity. Bringing together research from family business literature and the institutional theory, a qualitative investigation is performed. Following the Varieties of Capitalism logics, forty-three EFs and local experts were interviewed in regions belonging to European countries classified as three distinctive institutional settings. Namely, region of Baden-Württemberg (in Germany, as a Coordinated Market Economy), region of Scotland (in United Kingdom, as a Liberal Market Economy), and the Basque Country and Pays-de-la-Loire regions (in Spain and France respectively, as Mediterranean capitalist cases). Offering a framework of twenty institutional mechanisms, findings revealed that formal and informal institutional mechanisms impact differently according to the institutional setting where the EF is embedded. Theoretical and practical implications for each of the research papers are drawn.

RESUMEN

La continuidad de las Familias Empresarias: Análisis desde una perspectiva interna y externa

La ubicuidad de las Empresas Familiares (EFs) en la mayoría de los territorios del mundo hace que su continuidad sea un tema de interés tanto para académicos como para expertos profesionales. Una característica distintiva de esta forma particular de empresa es la búsqueda de la continuidad mediante la aplicación de una visión transgeneracional. En pos de esta continuidad, las Familias Empresarias (FEs) que dirigen las empresas se enfrentan a varios obstáculos que pueden poner en peligro la consecución de su supervivencia. Esta tesis doctoral aborda la continuidad de las FEs desde una perspectiva interna y externa, mediante la realización de tres investigaciones empíricas que toman la forma de tres artículos de investigación.

En el primer artículo de investigación, se aborda la perspectiva interna profundizando en la esfera tácita de las percepciones que surgen en las FEs durante el proceso de sucesión intrafamiliar. En particular, dado que, según la literatura sobre liderazgo, las expectativas de los líderes influyen en el desempeño de los seguidores, en esta primera investigación se aplica el llamado Efecto Pigmalión (EP) para examinar cómo este se desarrolla y cómo se puede preservar en el contexto de las Pequeñas y Medianas Empresas familiares. Para ello, se realiza una investigación cualitativa centrada en los procesos de sucesión intrafamiliar de cuatro casos en profundidad. Ofreciendo una visión caleidoscópica, la evidencia empírica derivada de la investigación demuestra que el EP sostiene las expectativas del fundador, del sucesor y de las principales partes interesadas a lo largo del proceso.

En segundo lugar, los dos trabajos de investigación restantes investigan la perspectiva externa. Para que las FEs continúen y crezcan, es necesario que permanezcan arraigadas en el territorio. A pesar de ello, el estudio del arraigo como mecanismo de unión que vincula a la FE con el territorio ha sido escasamente investigado. Para llenar este vacío, en el segundo trabajo de investigación se explora cómo el territorio influye en el arraigo de las FEs. Desde una perspectiva territorial, se revisan los modos cultural, político, estructural y cognitivo del arraigo. A través de veinticinco entrevistas semiestructuradas, los resultados revelan que el enraizamiento de las FEs puede verse impactado por el territorio a través de estos cuatro modos. En concreto, se identifica un marco de dieciséis factores territoriales, dos de los cuales se consideran transversales dado su simultáneo funcionamiento en más de un modo de arraigo.

Por último, el tercer trabajo de investigación examina el enraizamiento local de las FEs desde una perspectiva multi territorial. Teniendo en cuenta que las FEs no sólo están arraigadas en sus territorios, sino también en las instituciones, comprender cómo entornos institucionales diferentes afectan al enraizamiento de las FEs tiene implicaciones importantes para su continuidad. Por esta razón, se ha llevado a cabo una investigación cualitativa en la que se combina literatura sobre la empresa familiar y la teoría institucional. Siguiendo la lógica de las Variedades del Capitalismo, cuarenta y tres FEs y expertos locales fueron entrevistados en regiones pertenecientes a países europeos clasificados como tres entornos institucionales distintos. En concreto: la región de Baden-Württemberg (en Alemania, como una Economía de Mercado Coordinada), la región de Escocia (en el Reino Unido, como una Economía de Mercado Liberal), y las regiones del País Vasco y Pays-de-la-Loire (en España y Francia, respectivamente, como casos de capitalismo mediterráneo). Asimismo, se identifica un marco de veinte mecanismos institucionales. Los resultados revelan que los mecanismos institucionales formales e informales tienen un impacto diferente según el entorno institucional en el que se encuentra enraizada la FE. Se extraen implicaciones teóricas y prácticas para cada uno de los trabajos de investigación.

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List of Abbreviations

CME	Coordinated Market Economy
EF	Entrepreneurial Family
FB	Family Business
LE	Local Expert
LME	Liberal Market Economy
PE	Pygmalion Effect
SEW	Socio-emotional wealth
SME	Small and Medium Enterprise
VoC	Varieties of Capitalism

List of publications

The present Doctoral dissertation is made up of three publications, listed as follows:

Publication I. Martínez-Sanchis, P., Aragón-Amonarriz, C., & Iturrioz-Landart, C. (2020b). How the Pygmalion Effect operates in intra-family succession: Shared expectations in family SMEs. *European Management Journal*, *38*(6), 914–926. https://doi.org/10.1016/j.emj.2020.04.005

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Chapter 1. Introduction

Family Businesses (FBs) abound in mostly all territories worldwide. Hardly a country of the five inhabited continents does not hold a substantial percentage of family-owned businesses within its business fabric (e.g., Chirapanda, 2019 for Japan; Family Business Australia, 2021 for Australia; Family Enterprise USA, 2020 for United States; Urban & Nonkwelo, 2020 for South Africa; Witten Institute for Family Business, 2020 for Germany). The direct implications of these figures are of major importance because the vast majority of territories depends on the continuity of these businesses, which are managed by the families standing behind. For instance, in Spain, FBs contribute to 67% out of the total private employment and they share to Gross Domestic Product amounts to 57,1% of the private sector (Instituto de la Empresa Familiar, 2021).

Perhaps because of this, the phenomenon by which a family decides to become entrepreneur while holding the majority of ownership, has drawn scholars' attention increasingly since the first academic appearance of the topic in a specialised journal in 1998 (Dibrell & Memili, 2019). Since then, an array of research published in top-tier journals has attested the legitimisation of the family business field (e.g., *Family Business Review*, *Entrepreneurship Theory and Practice* and *Journal of Business Venturing*). In moving forward, family business scholars have relied mainly on five theoretical perspectives (Odom et al., 2019): agency theory (e.g., Calabrò et al., 2017; Le Breton-Miller & Miller, 2009; Morck & Yeung, 2003; Schulze et al., 2001), the resource-based view (e.g., Habbershon et al., 2003; Habbershon & Williams, 1999), stewardship theory, (e.g., Eddleston et al., 2012; Le Breton-Miller & Miller, 2015; Miller & Le Breton-Miller, 2006), socio-emotional wealth (SEW) (e.g., Berrone et al., 2012; Gómez-Mejía et al., 2007), and institutional theory (e.g., Backman & Palmberg, 2015; Basco, 2019; D'Allura & Colli, 2019). Family business researchers, though, have singled out the need of endowing the field with further theoretical strength (Combs et al., 2019), building “a set of principles that can be used to make predictions about phenomena” (Kurland & McCaffrey, 2020, p. 17). In other words, to build a family science theory to delve into the specificity that takes place when a family decides to set up a FB.

A reflect of these particularities is illustrated by the generation of *ad hoc* models to understand the trade-off between the family and the business well-being (e.g., SEW model, cf. Gómez-Mejía et al., 2007), but also by the conceptual consensus, which is still sought. Extant research has mostly agreed on the characteristics that a FB should possess to be considered as such. These concern management, ownership and a long-term vision to carry on the founder’s entrepreneurial legacy (Chua et al., 1999; Zellweger et al., 2011). However, much discrepancy exists on how the family system should be defined, despite literature is rife with calls that highlight the relevance of performing research at the family level (e.g., Combs et al., 2019; Dyer, 2003; Jaskiewicz, Combs, et al., 2016; Nordqvist & Melin, 2010). As of now, it is unclear first, how this system should be labelled, and second, which features are considered when referring to it. An array of conceptualisations that seem to be referring to the same phenomena have flourished in the field: business family (Le Breton-Miller & Miller, 2018; Seaman, 2015; Seaman et al., 2017; Witten Institute for Family Business, 2020), entrepreneuring/enterprising family (Berent-Braun & Uhlaner, 2012; Uhlaner et al., 2012), and Entrepreneurial Family (EF) (James et al., 2020; Nordqvist & Melin, 2010), among others. To exemplify the variety of definitions, Tables 1.1. and 1.2. show a revision of the most common definition of the phenomenon of a family-owning a business, from the family dimension and the business dimension.

Table 1.1. *Conceptual revision of definitions offered by family business literature (family dimension)*

	Concept	Definition and author/s
FAMILY DIMENSION	Entrepreneurial family	• A phenomenon where several members of a family create and develop one or more business enterprises over time (James et al., 2020) • The family as an institution, or social structure, that can both drive and constrain entrepreneurial activities (Nordqvist & Melin, 2010, p. 214)
	Business family	• An economic unit with resources and motivations that create value for a family across generations and across businesses (Le Breton-Miller & Miller, 2018, p. 528) • A family that acts together – pooling financial, human or social capital – for the benefit of at least one but probably more businesses (Seaman, 2015, p. 184) • A family whose development is shaped by a company owned by one or more family members and in which a handing-over of entrepreneurial ownership to the next generation is envisaged (Witten Institute for Family Business, 2020)
	Serial business family	• It is the family who has sold its original business and, at a later stage, went back into business together by re-creating an operating family business (Kenyon-Rouvinez, 2001, p. 176)
	Enterprising/entrepreneuring family	• A business-owning family that meets the more stringent criterion of sharing responsibility for the common outcome of preserving and building family wealth and thus as a type of team (Berent-Braun & Uhlaner, 2012, p. 115) • Families that run one or more businesses, and that have an intent to grow these businesses with the family as the foundation (Nordqvist & Melin, 2010, p. 221) • Subset of business-owning families focused on entrepreneurial objectives or motives (Uhlaner et al., 2012, p. 2)
	Business-owning family	• Two or more family members who own a firm together (Berent-Braun & Uhlaner, 2012, p. 104)

Table 1.2. *Conceptual revision of definitions offered by the family business literature (business dimension)*

	Concept	Definition and author/s
BUSINESS DIMENSION	Family business	• A business for which at least two family members are actively engaged in management and ownership (Bird & Wennberg, 2014, p. 427) • It is a business governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families (Chua et al., 1999, p. 25) • Family businesses are those whose policy and direction are subject to significant influence by one or more family units (Davis, 1983, p. 47) • A firm, of any size, is a family business, if: (1) The majority of decision-making rights is in the possession of the natural person(s) who established the firm, or in the possession of the natural person(s) who has/have acquired the share capital of the firm, or in the possession of their spouses, parents, child or children's direct heirs; (2) The majority of decision-making rights are indirect or direct; (3) At least one representative of the family or kin is formally involved in the governance of the firm; (4) Listed companies meet the definition of family enterprise if the person who established or acquired the firm (share capital) or their families or descendants possess 25 per cent of the decision-making rights mandated by their share capital (European Commission, 2009, p. 10) • A business where a single family owns the majority of stock and has total control (Gallo & Sveen, 1991, p. 181) • A company being owned by a family in at least 50% and of which owners perceive it as a family business (Ingram & Głód, 2018, p. 58) • Any business in which majority ownership or control lies within a single family and in which two or more family members are or at some time were directly involved in the business (Rosenblatt et al., 1985, pp. 4–5) • A business with one or more family members where the owners perceive it to be a family business (Seaman, 2015, p. 182)
	Family firm	• A firm with two or more workers related to the entrepreneur, or the firm owner, and one of these people is involved in a managerial role (Adjei et al., 2019, p. 358) • More than one family member works in the business or the owner anticipates passing the business to the next generation of family members or the owner identifies the firm as a family business (Astrachan & Kolenko, 1994, p. 254) • It is an important type of organization that exists in different sizes, sectors, and economies (Basco, 2015, p. 261) • Those in which two or more family members own and manage the company (Baù et al., 2019, p. 366) • It is a business entity that is privately owned and managed by a household (Carney & Nason, 2018, p. 1192) • A versatile and successful entrepreneurial response to market failures (during the early stages of industrialization in the eighteenth and nineteenth centuries) (Colli et al., 2003, p. 28) • One in which multiple members of the same family are involved as major owners or managers, either contemporaneously or over time (Miller et al., 2007, p. 836)
	Entrepreneurial family business	• The entrepreneurial family business refers to the family business as a type of organization, or organizational context, with certain characteristics that can facilitate or constrain entrepreneurial activities, processes and outcomes (Nordqvist & Melin, 2010, p. 214)
	Family-controlled business	• It is a public or private company in which a family (or related families) controls the largest block of shares or votes, has one or more of its members in key management positions, and members of more than one generation are actively involved within the business (Salvato & Melin, 2008, p. 261)

Among the implications that has the consideration of the family in FBs studies stems the revisit of the continuity challenge. Most literature, when addressing the FB's orientation towards longevity, focuses on the sole business that the family is managing. However, this is not always the case, and it can frequently occur that families decide to divest in one business while keeping others within their portfolios (Sharma & Manikutty, 2005). The present investigation argues that research in FBs that departs from the concept of EFs can shed light on the engine behind each family-owned business (i.e., the family), while delving into the challenges that can jeopardise EFs' continuity. To help moving this debate forward, in this dissertation, the emphasis is placed on the continuity of the family behind the business. As such, an EF is defined as follows:

> "A phenomenon where several members of a family create and develop one or more business enterprises over time" (James et al., 2020)

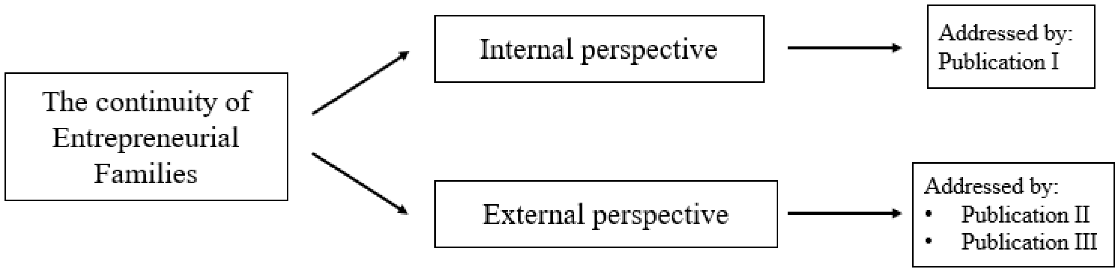
These defiances to EFs' continuity can be caused by either internal or external stabilities. For this reason, an encompassing approach that takes both perspectives into account is recommendable.

On the one hand, in pursuing the continuity of the FB, the family is led by a transgenerational vision. In attaining this objective, the EF is usually faced with several obstacles (e.g., Garcia Alvarez & López Sintas, 2003; Perricone et al., 2001; Salvato et al., 2010). From the ones inherent to the family, internal instabilities usually arise throughout the succession process, a fact that may explain why most of literature in the family business field used to focus in this process (Jimenez-Castillo & Hoy, 2019). To successfully navigate through it, how tacit aspects such as expectations are managed by FBs have proved to be critical for the output (Chen & Klimoski, 2003; J. D. Collins et al., 2016). Therefore, a proper management of this psychological aspect of the process deserves scholarly attention, inasmuch as it can unbalance the family and, potentially, lead to an undesirable result for the continuity of the EF.

On the other hand, a "firm-territory nexus", and more specifically a "family firm-territory nexus" has been recognised by the literature (Amato et al., 2021; Dicken & Malmberg, 2001). In particular, in what refers to EFs, these are bound naturally to the territory through their embeddedness (Bichler et al., 2021; Bürcher, 2017). This means that, just as they impact the territory (Berent-Braun & Uhlaner, 2012; Le Breton-Miller & Miller, 2018; Uhlaner et al., 2012), they are also vulnerable to the exertion of power from territorial agents that can put at risk the project (Gupta & Levenburg, 2012). They establish relationships with the community, the institutions, the governmental authorities…etc. in a continuum (Estrada-Robles et al., 2020; Monticelli et al., 2020; Randerson et al., 2020). However, territories can become hostile to families (Carretero Gómez et al., 2018), producing frictions that can hinder (favour) EFs' continuity. For this reason, to examine how factors from the context where EFs are entrenched impact on their embeddedness can foster EFs' continuity.

All in all, this Doctoral dissertation aims at understanding how the continuity of Entrepreneurial Families can be impacted. This is performed by taking an external and internal perspective (Figure 1.1.), which has resulted in the publication of three articles. Internally, the role that family expectations plays in intra-family succession is studied (Martínez-Sanchis et al., 2020b), whereas externally, the territory and the institutional settings impacts are examined (Martínez-Sanchis et al., 2020a, 2021).

Figure 1.1. *Two perspectives to the continuity of Entrepreneurial Families*



1.1 The continuity of Entrepreneurial Families: Internal perspective

Handing over the reins is a transgenerational feature intrinsic to EFs. Referred to as, an ensemble of "actions, events, and organisational mechanisms by which leadership at the top of the firm, and often ownership, are transferred" (Breton-Miller et al., 2004, p. 305), intra-family succession process has been widely researched since the genesis of the family business field (Jimenez-Castillo & Hoy, 2019).

Research contributions have typically focused on the incumbent-successor dyad, especially during the so-called nurturing phase (Samei & Feyzbakhsh, 2015), where the incumbent's "openness to new ideas, ability to delegate, motivation, to have a positive relationship with the successor" (Samei & Feyzbakhsh, 2015, p. 733) have been factors pointed out by scholars to achieve a successful transition. Similarly, in the hand-off phase, not only the closeness between incumbent and successor remains important, but also other more intangible behaviours, such as the parental patterns (Tunkkari-Eskelinen, 2016), the successor's abilities, the incumbent's expectations to firm leadership, or even the founder's distrust to successor (Cater III et al., 2016). Therefore, while the consideration of tacit aspects is not new in the literature on succession, the inclusion of expectations and the role of other stakeholders in supporting positive expectations has been more scarcely researched. In fact, beyond the mere consideration of the nuclear family, as a dynamic process with psychological connotations (Filser et al., 2013), succession gives room to additional actors (Daspit et al., 2016). In particular, expectations in a leadership action, such as succession, have a powerful impact on the final result of an organisational process (Eden, 1993; Eden, 1988). For instance, leader’s positive expectations may lead to follower’s positive outcomes, illustrating the so-called Pygmalion Effect (PE) (Avolio et al., 2009; Eden et al., 2000; Eden & Ravid, 1982). Remarkably, though, studies that delve into the intra-family succession process from a kaleidoscopic view by examining how positive expectations towards the successor can be developed and preserved was missing in the literature on family business.

1.2 The continuity of Entrepreneurial Families: External perspective

Research on FBs evidences the heterogenous impact these organizations can have on the territories they are embedded in. Effects on employment, regional development, local spillovers, community sustainability and contribution to Gross Domestic Product, among others, have been discussed (Amato et al., 2020; Bammens et al., 2015; Bjuggren et al., 2011; Gomez-Mejia et al., 2020; Kurland & McCaffrey, 2020). Instead, the study of the territory as an active player that interacts with FBs and, thus, which has an impact on them, has been less researched. Particularly, to study this impact at the family level was lacking, despite encouragements in the literature to take the family as the unit of analysis (e.g., Dyer, 2003; Le Breton-Miller & Miller, 2018; Nordqvist & Melin, 2010).

The recognition of context as a variable in the field, though, is recent (Backman & Palmberg, 2015; Baù et al., 2019; Glückler, 2020; Soleimanof et al., 2018; Wright et al., 2014). Literature failure on recognising the role of territory in embedding EFs may be rooted in contextless research in family business studies (Basco, 2020). To address this issue, this dissertation brings together research from the family business and the regional development field with embeddedness literature, the family science theory, and the institutional theory.

First, in investigating FBs, regional development research has focused on the impact that these businesses exert towards their territory (Basco, 2015; Stough et al., 2015). Inversely, this impact has been less frequently researched. Extant investigations in this regard have evidenced that, for FBs to continue in a territory, they should remain embedded (Nordqvist et al., 2013; Pallares-Barbera et al., 2004). Embeddedness, as a complex concept that can be applied to understand phenomena of diverse nature, has also been treated in the family business field. One relevant example is that of Le Breton-Miller and Miller (2009), who more than a decade ago already studied embeddedness in the FB context. Based upon Zukin and DiMaggio's (1990) modes of embeddedness, the authors distinguish four ways in which family members are embedded within the FB. To reconcile stewardship and agency theories, they suggest that embeddedness can take place in a cultural, political, cognitive and structural way. In this case, however, Le Breton-Miller and Miller's (2009) focus was on social embeddedness. Therefore, despite examining such impact at a family level is crucial, research on the embeddedness of EFs from a territorial perspective is scant, and more research is due to understand evidence on the favouring (or hindering) role that the territory can take (Carretero Gómez et al., 2018).

Second, to understand the impact received by FBs from the contexts, the inclusion of the institutional framework is required. This is because FBs are locally embedded and, as such, they interact with other territorial agents through an established structure set up within the society (Baù et al., 2019). So far, the institutional theory has focused in studying the relations that emerge between organisations of any kind and institutional frameworks, including FBs (D'Allura & Colli, 2019). Research has been performed on the impact that institutions (either formal or informal) have on FBs (some recent examples are Brinkerink & Rondi, 2020; Chakrabarti & Mondal, 2018; Requejo et al., 2018). Literature abounds in the reciprocal impact between FB and institutions, but the recognition of the family as an institution that is also affected by its institutional setting is limited. Interestingly, research has acknowledged that institutional frameworks vary among countries, and categorisations such as the Varieties of Capitalism (VoC) from Hall and Soskice (2001) have gained a considerable popularity among scholars, inasmuch as they shed light on the characteristics of formal and informal institutions depending on the institutional context: Coordinated Market Economies (CMEs), Liberal Market Economies (LMEs), or the ambiguous cases of the Mediterranean setting. Despite this, the study of how these different categories of institutional frameworks impact differently on EFs local embeddedness is lacking.

To address the continuity of EFs from an external perspective, Table 1.3. shows the conceptual framework considered in dealing with embeddedness from the territorial perspective in Publication II, and from the multi-territorial perspective in Publication III.

Table 1.3. *Conceptual framework to study the continuity of EFs from an external perspective*

Embeddedness	• Embeddedness is the nature, depth, and extent of individuals' ties with their environments (Arregle et al., 2015, p. 315) • The methodological, sociological, and psychological impacts on individuals and subgroups of working within a larger organization to solve problems of the subgroups and of the total organization (Cohen et al., 1969, p. 209) • It refers to companies' relations with, and dependence on, various types of network (Halinen & Törnroos, 1998, p. 187) • The way social and economic activities are mixed up with networks of social relations (Granovetter, 1985; Cited in Krippner et al., 2004, p. 113) • The term "embeddedness" expresses the idea that the economy is not autonomous, as it must be in economic theory, but subordinated to politics, religion, and social relations (Block in Polanyi, 1944, pp. xxiii–xxiv) • It is a logic of exchange that promotes economies of time, integrative agreements, Pareto improvements in allocative efficiency, and complex adaptation (Uzzi, 1997, p. 35) • The contingent nature of economic action with respect to cognition, culture, social structure, and political institutions (Zukin & DiMaggio, 1990, p. 15)	To study how does the territory impact on EFs' embeddedness (Publication II)	**Territory**	"Where the accumulation of economic actions and common values takes place" (Pallares-Barbera et al., 2004, p. 638)
			Territorial embeddedness	"The enmeshing of economic and cultural relationships within broad territorially placed social and institutional structures that facilitate social relations" (Pallares-Barbera et al., 2004, p. 637)
		To study how do different institutional settings impact on EFs' local embeddedness (Publication III)	**Institutions**	"Stable patterns of behaviour, enforced by rules and social control" (Colli, 2019, p. 26)
			Local embeddedness	"The involvement of economic actors in a geographically delimited network and/or institutional setting" (Baù et al., 2019, p. 362)

1.3 Research gaps

As a result of the literature review on the continuity of EFs from an external and internal perspective, three research gaps were identified, which are covered through the carry out of the dissertation. To fill these voids, three research questions were posed, and a main objective was set up (i.e., to understand from an external and internal perspective how the continuity of Entrepreneurial Families can be impacted). This was further split up into three sub-objectives, the attainment of which resulted in three publications. This process is illustrated in Figure 1.2.

- **Research gap covered by Publication I**: "Intra-family succession processes, which are hardly ever formalised in small- and medium-sized family enterprises, provide a natural context to explore the perceptions that predecessors have about their successors and where the Pygmalion Effect is expected to occur. However, little is known about how a predecessor's expectations can affect intra-family firm succession processes" (Martínez-Sanchis et al., 2020b, p. 914).
- **Research gap covered by Publication II**: "EFs have, to a great extent, been recognized as major generators of positive externalities in the territories in which they are located, and to date, the literature has focused on the impact that firms and family firms have on regional development. However, how the territory conditions the embeddedness of these families, especially how it impacts on the EFs' territorial embeddedness, remains unexplored" (Martínez-Sanchis et al., 2020a).

Figure 1.2. *Overview of Doctoral dissertation research gaps, theoretical frameworks, objective, sub-objectives, research questions and publications*

Research gaps		Theoretical frameworks
PI	The role of expectations in intra-family succession processes has been addressed before in the literature given its impact on the final output of the process. Despite this, the study of the generation of these expectations from the so-called PE and considering it from a kaleidoscopic view was needed. This is because in the share of these expectations other stakeholders may influence.	Family business, leadership, and succession literature
PII	The relevance of the impact that EFs have on the territory and, inversely, the territories on EFs for EFs continuity has been recognised in the literature. As well, the consideration of embeddedness in binding firms to local economies. Yet, a deep examination of a territory's impact in the embeddedness of EFs was needed.	Family business, embeddedness, and regional development literature Family science theory
PIII	Despite the relevance of the institutional context's impact on FBs, it has often been neglected in the literature. This has resulted in a lack of research on the impact of institutional settings at the family level, whilst a simultaneous recognition of the role of local embeddedness in emmeshing EFs with their institutional settings has taken place. However, an examination of the impact of different institutional settings at the family level was missing.	Family business and embeddedness literature Family science and institutional theory

Main objective
To understand from an internal and external perspective how the continuity of Entrepreneurial Families can be impacted

	Sub-objectives		Research Questions	
Internal perspective	S1	To examine how the expectations of the incumbent and the other stakeholders of a family SME can influence the succession process	RQ1[a]	How the PE is developed in the context of family SMEs?
			RQ1[b]	How the PE can be preserved during the succession process?
External perspective	S2	To identify territorial factors that condition EF embeddedness	RQ2	How does the territory impact on EF embeddedness?
	S3	To identify the formal and informal mechanisms that impact on EFs' local embeddedness	RQ3	How do different institutional settings impact on EFs' local embeddedness?

Publications
How the Pygmalion Effect operates in intra-family - succession: Shared expectations in family SMEs. *European Management Journal*. https://doi.org/10.1016/j.emj.2020.04.005.
How does the territory impact on entrepreneurial family embeddedness? *Journal of Enterprising Communities: People and Places in the Global Economy*. https://doi.org/10.1108/jec-09-2019-0087.
Institutional settings and local embeddedness of European Entrepreneurial Families: An inter-regional comparison. *European Planning Studies*. https://doi.org/10.1080/09654313.2021.1889474.

- **Research gap covered by Publication III**: "The interaction between institutional settings and Entrepreneurial Families (EFs) is two-fold. Extant literature has attempted to understand how institutional settings can affect Family Businesses' embeddedness. Both perspectives are complementary and necessary to recognise that EFs are not only locally embedded in their territories, but they are also entrenched in institutions. Despite this, how different institutional settings impact on EFs' local embeddedness remains unexplored" (Martínez-Sanchis et al., 2021).

1.4 Methodological considerations

This section offers an overview on the general methodological aspects of the Doctoral dissertation. Afterwards, specific considerations on the methodology employed for each of the publications are deployed in-detail within its corresponding chapter.

1.4.1 Philosophical stance

This Doctoral dissertation followed an interpretivist approach. The epistemological stance of interpretivism is known for studying complex and unique social phenomena. Given the idiosyncrasy of FBs, interpretive research has been pointed out as a philosophical position useful to understand paradoxical behaviours, long-term commitment, concentration of ownership…etc., among others (Nordqvist et al., 2009). Such processes are condensed in family-owned organisations, giving room to research "that would not be possible for any other type of firm" (Kammerlander & De Massis, 2020, p. 3).

The approach and purpose of the three investigations have been inductive and exploratory. The inductive approach looked for the gathering of rich data and deep understanding of the phenomenon, whereas an exploratory purpose served best to dig deeper into literature, which lacks a clear theoretical framework with research that is yet limited for the studied topic, thus, leading to scarce understanding about the phenomena.

1.4.2 Research settings

The setting of the Doctoral project, understood as the context where the phenomenon takes place, is the European continent. More specifically, four regions within four countries: Basque Country (Spain), Pays-de-la-Loire (France), Baden-Württemberg (Germany), and Scotland (United Kingdom). Not all the regions are included simultaneously in all the dissertation’s publications. Namely, the Basque Country region acts as the research setting for Publications I, II, and III, whilst the rest of regions only for Publication III. The selection criteria for each research setting is deployed in-detail in the corresponding chapters of the dissertation, but a brief overview on the FBs relevance for the research settings in terms of economic and regional development contribution is shown in Table 1.4.

Table 1.4. *Representativity of Family Businesses in the settings of the dissertation*

Basque Country (Publication I, II, and III)	-In Gipuzkoa, close to 70% of the business fabric is of family ownership (Aragón-Amonarriz et al., 2005, p. 1) -The values by autonomous communities [of total FBs out of the total businesses] vary between the 84,4% of the Basque Country (…) (Instituto de la Empresa Familiar, 2015, p. 37) -The economy of the Basque Autonomous Community is built upon a solid economic and social business fabric, dynamic and competitive where the family business has been and it is an actor of special relevance given the fact that they are organisations deeply anchored in their territory, where they contribute with employment stability and they are a source of wealth (Iturralde et al., 2019, p. 4)
Pays-de-la-Loire (Publication III)	-The Small and Medium Enterprises and the Enterprises of Intermediate Size represent 30% and 25% respectively, out of the total employment in Pays-de-la-Loire (Institut National de la Statistique et des Études Économiques, 2013) -There is a strong engagement to the territory [from FBs' side]. Only one third of the managers are not willing to take part on the cultural, sportive and social life of the region, at the same time that more than the half is a partner and wish to remain (Radu-Lefebvre & Lagueste, 2016)
Baden-Württemberg (Publication III)	-A high family firm density in innovative industries exists, for example, in Baden-Württemberg, where several districts have a family firm density higher than 0.5 (Block & Spiegel, 2013, p. 273) -In Baden-Württemberg, on the other hand, business logics played a more important role, corresponding with the 'family business' regime that centred on the well-being of the firm and thus on policies of rapid alert and digital marketplaces to support firm longevity and growth (Lenz & Glückler, 2020, p. 14)
Scotland (Publication III)	-Within Scotland, it is estimated that family firms account for around 85% of all businesses (Seaman et al., 2010, p. 202) -54% of Scottish businesses are still controlled by the founding generation (Scottish Family Business Association, 2020)

1.4.3 Data collection and data analysis

A qualitative research was designed aligned with the dissertation's philosophical stance. Data was collected from EFs and Local Experts (LEs) from each setting. EFs were families owning at least one business, and which had expressed their desire to keep the business rooted in the territory. LEs were regional consultants belonging to FBs associations, regional banks, chambers of commerce, and, in general, specialised in the issues concerning the continuity of EFs in their regions.

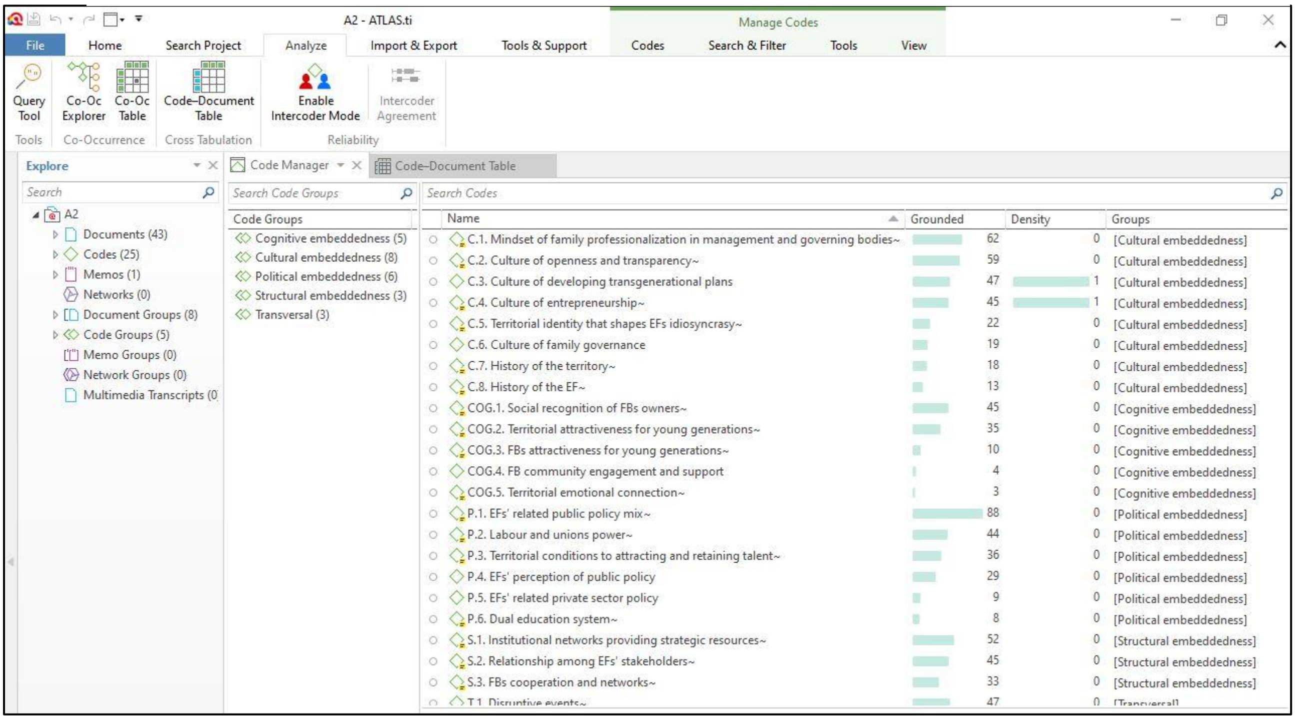
For Publication II and III, interviewees were contacted through a letter presenting the Doctoral project. This was performed either through a close contact letter because the potential interviewees already knew the research team (see Appendix A.1.), following a snowball sampling technique (see Appendix A.2.), or through cold acquisition after internet search (see Appendix A.3.). As an instrument for qualitative research, interviews were used to collect data in all publications. In this dissertation, an *interview* is considered as a "local interactional accomplishments where what takes place is highly dependent on how the interviewer situates the task, and how interviewees position themselves with respect to the audience they believe they are addressing" (Langley & Meziani, 2020, p. 371). Classified as an individualised and direct technique, in-depth semi-structured interview allowed to collect rich data by having established previously an interview guide with the contents to be posed to the interviewee (see Appendices B.1.1., B.1.2., B.2.1., and B.2.2). For Publication I, a multiple-case research strategy was also implemented. *Case* definition follows De Massis and Kotlar's (2014, p. 16): "a particular strategy for qualitative empirical research that allows an in-depth investigation of a contemporary phenomenon within its real-life context".

Data was gathered over a period of four years (June 2014 – February 2019) for Publication I, one year and a half (June 2017 – February 2019) for Publication II, and two years and a half (June 2017 – December 2019) for Publication III. In all the three publications, a cross-sectional study was undertaken. In other words, at a given point in time a phenomenon was studied by capturing single observations. To answer the research questions, purposive and convenience sampling methods were employed to collect data from 13 (Publication I), 25 (Publication II), and 43 (Publication III) interviewees. The phenomena under study was established by defining three units of analysis:

- Publication I: the challenged PE in intra-family management succession processes in family Small and Medium Enterprises.
- Publication II: the embeddedness of EFs.
- Publication III: the local embeddedness of EFs.

Data was transcribed and a database for storage was created. To support the analysis, a qualitative data analysis and research software was employed, namely ATLAS.ti (Figure 1.3.). A thematic, open-coding process was performed. To avoid biases and potential misunderstandings, data was triangulated with press, news, official reports and, in some of the cases, interviewees were also asked to check the transcriptions. The data analysis process for each of the publications is deployed in-detail in each of the corresponding dissertation's chapters.

Figure 1.3. *Screenshot sample from the code manager section of Publication III*



Source: ATLAS.ti

1.4.4 Quality in qualitative research

Because qualitative research quality-related topics have arisen in the research methods literature recurrently (e.g., Corley et al., 2021; Jarzabkowski et al., 2021; Krefting, 1991; Patton, 1999; Pratt, 2009), this aspect is duly acknowledged in the dissertation. Particularly, care on the performance of a quality process during the collection and analysis of data was ensured by explaining how internal and external validity, and reliability were met thorough the dissertation. This is reflected on the inclusion of a subsection about *Quality in qualitative research* in each chapter of the dissertation. Apart from that, an ethical behaviour was ensured before, during and after interviews. Participants were informed about the research purpose before they were interviewed. They were also informed about the recording of the interview and their right to withdraw from the investigation at any moment without having to explain the reason why. This was condensed in a consent form signed by each interviewee (see Appendix C.1. and C.2.).

1.5 Contextualising the Doctoral project

The Doctoral dissertation took place within the Competitiveness and Economic Development research group (Deusto Business School), from September 2017 until March 2021. This research team has gained the A-level recognition from the Basque Government (2016-2021).

The Doctoral project traces back to the research project *Diagnosis and succession strategies of Small and Medium Enterprises (SMEs) of Gipuzkoa*, supported by the Gipuzkoa Council. That research project aimed to guarantee the creation of sustainable wealth in the territory. It emerged as a response to the post-crises scenario that left the financial crisis of 2007-2013. It was observed that in the Basque Country Autonomous Community a significant number of EFs had left the territory, either by closing their businesses or by selling it to a third party (i.e., company's workers or out of territory buyers). Additionally, the dissertation has also been endorsed by the Basque Association of Family Businesses.

This association, constituted in May 2015, has since then boosted research in the FB area by emphasising (Basque Association of Family Businesses, 2021):

- EFs deeply anchored roots in the territory
- EFs reinvestment of the wealth they generate in the territory
- EFs propensity to contribute to employment stability in the territory

Finally, as part of the pathway followed by Publication I and III, the Doctoral project has relied on other organisations. On the one hand, Publication I was nurtured by the case studies developed in the collaboration context with Antonio Aranzábal Foundation. On the other hand, Publication III was based upon a project that involved three additional universities in Europe: Audencia Business School (Nantes, France), Heidelberg University (Heidelberg, Germany), and Queen Margaret University (Edinburgh, UK). The PhD candidate conducted fieldwork in each of these countries, within a period that lasted from June 2019 to December 2019. Thanks to the support and accompaniment offered by these chairs of research, EFs and LEs could be reached in a timely manner and research objectives were fulfilled.

All in all, the involvement of policy-makers, practitioners, and international researchers in this project has endowed with academic meaning and practical usefulness its findings and it is in the hope of the PhD Candidate that these will contribute to the continuity of EFs.

1.6 Structure of the Doctoral dissertation

This Doctoral dissertation is made up of five chapters, structured as follows. First, Chapter 2 addresses research question 1 from the internal perspective to the continuity of EFs. Second, Chapter 2 and Chapter 3 deal with the external perspective to the continuity of EFs and, specifically, they give answer to research questions 2 and 3. Chapter 2 corresponds to Publication I, Chapter 3 to Publication II, and Chapter 4 to Publication III. The dissertation closes with Chapter 5, which discusses and highlights concluding remarks regarding the overall theoretical contribution, policy and managerial implications, research limitations and how this research opens future avenues for the field. At the end of each chapter, a chapter summary is offered, and its respective publication is annexed in the cases of Chapter 2, 3, and 4. The structure of the dissertation is summed up in Table 1.5.

Table 1.5. Structure of the dissertation

Chapter number	**Chapter title**
Chapter 1	*Introduction*
Chapter 2	*How the PE is developed and how it can be preserved during the succession process?*
Chapter 3	*How does the territory impact on EF embeddedness?*
Chapter 4	*How do different institutional settings impact on EFs' local embeddedness?*
Chapter 5	*Concluding remarks*

Chapter 2.

How the PE is developed and how it can be preserved during the succession process?

2.1. Research justification

2.2. Theoretical framework

2.3. Research methodology

2.4. Findings and Contributions

Summary Chapter 2

Publication I

2.1 Research justification

For EFs to continue, a transgenerational vision to pass the baton is required (Zellweger et al., 2012). FBs abound in tacit aspects that take the shape of expectations. To this extent, an understanding of management of expectations within FBs is of relevance for EFs continuity. In this context, the current chapter is devoted to the study of this continuity from the internal perspective. Specifically, by focusing on the expectations that are generated throughout the succession process.

The outcome of an intra-family succession process is intimately tied to the psychological aspects (Sharma et al., 2020). Despite this, only recently, the psychological side in FB contexts, has started to be given full research consideration (e.g., Jiang et al., 2018; Picone et al., 2021; Strike et al., 2018). As a matter of fact, in January 2020, *Entrepreneurship Theory and Practice* journal devoted a Special Issue on 'Family firm behavior from a psychological perspective' (e.g., Erdogan et al., 2020; Miller et al., 2020; Yu et al., 2020) to move forward research between the psychology field and the family business field.

In this regard, attitudes unfolded by the incumbent and successor, have been found to be critical antecedents (Basco & Calabrò, 2017; De Massis et al., 2016) in "the most traumatic internal shock facing a business, as well as the crucial issue facing all family firms" (Colli et al., 2003, p. 33). As predecessors of intentions, attitudes determine behaviours (Ajzen, 1991) and, thus, can entail actions that may harm/push the intra-family succession process forward. In this sense, the role of expectations and their effect on succession have been investigated (e.g., Collins et al., 2016; Zellweger et al., 2016), yet "it remains unclear how its [family logic] inner workings affect individuals' expectations, and ultimately decision making" (Zellweger et al., 2016, p. 1043).

Research on expectations from leaders to followers has concluded that positivity is much needed in FBs' leaders (Caspersz & Thomas, 2015; Fries et al., 2020) and that positive expectations are key for the success of intra-family succession (Venter et al., 2005). In this sense, the PE phenomenon is caused when high expectations are deployed, which eventually improves the performance (Avolio et al., 2009). However, the process of positive expectations development in a FB context and under a natural context has not been researched.

To address this research gap, research question 1 of the dissertation and its aim are formulated in Publication I:

> RQ1: How the PE is developed and how it can be preserved during the succession process?
>
> S1: To examine how the expectations of the incumbent and the other stakeholders of a family SME can influence the succession process

2.2 Theoretical framework

Intra-family succession, defined as "the actions and events that lead to the transition of leadership from one family member to another" (Sharma et al., 2001, p. 21), can finish up by being either a success or a failure. For the sake of FBs' continuity, scholars have explained what is required in terms of who should get involved and under which circumstances this leadership passage should take place. For the former, Wiklund et al. (2013) argued the necessity of including a minimum of two generations in the process, while Birley (2002) added that only with willing and competent offspring was it possible to have a successful succession (Cabrera-Suárez & Martín-Santana, 2012; Cabrera-Suárez et al., 2018). For the latter, however, other intangible factors gain importance. For instance, the extent to which a founder is willing to support and create an atmosphere where the transition can positively occur plays a determinant role (Basco & Calabrò, 2017). Apart from that, whether a selective or an interwoven approach (Jaskiewicz et al., 2016) is applied, will also contribute to the result of the succession.

Given the complexity inherent to this process, considering succession in terms of phases seems to be helpful. In this vein, Daspit et al. (2016) division of the succession process serves as a theoretical basis to consider the influence of the above mentioned stakeholders during the nurturing ("a process whereby competencies required for the successor's effective management of a family firm are developed", Samei and Feyzbakhsh, 2015, pp. 731–732) and the transition phases ("timing of the incumbent out of the leadership position as well as the specification of bridge managers and leaders", Daspit et al., 2016, p. 47).

During the nurturing phase, the founder of a FB is expected to train and incumbent's background. However, this highly depends on whether the former permits the latter to obtain not only inside, but also outside experience (Breton-Miller et al., 2004). Additionally, whether the successor is able or not of absorbing the FB values (what is known as apprenticeship in terms of Breton-Miler et al., 2004), and the quality of the relationship established between the predecessor and successor, will determine offspring successful evolution within the business. Accordingly, whether the academic education is pursued by family members' of the FB or whether these encourage the successor to learn the values, the experience, the social impact that the business has on its context, will also influence the positive performance of that succession process (Bozer et al., 2017).

At the transition phase too, the relevance of tacit aspects interferes with the succession process. Family members' expectations such as siblings (Vera & Dean, 2005), the family culture (Bozer et al., 2017) or, family members' general behaviour towards the succession itself (Lansberg, 1988) have been recurrently named in the literature.

Non-family stakeholders' too have been identified as having a critical effect on the nurturing and transition phases. Whether they undertake mentorship and advisory tasks for the successor's benefit (Breton-Miler et al., 2004; Daspit et al., 2016), if employee's rivalry arises (Vera & Dean, 2005), whether procedural justice climate is perceived or not (Barnett et al., 2012), the ability of stakeholders in developing innovative capabilities (Fahed-Sreih & El-Kassar, 2017), or the role played by inside and external professional managers (Bozer et al., 2017; Lam, 2011), are all potential inputs influencing the result of a FB succession.

Therefore, in investigating intra-family succession, non-family stakeholders as well as the relevance of tacit aspects are acknowledged in the literature. Despite this, the role of expectations in SMEs family-owned business is under researched. However, expectations become powerful actors, especially in organisations where communication is rarely formalised. To this extent, according to the psychological field (Harris & Rosenthal, 1985; Kierein & Gold, 2000; McNatt, 2000), the Pygmalion Effect (PE) is described as a self-fulfilling prophecy model whereby "leader expectations for subordinate performance can subconsciously affect leader behaviour and subordinate performance" (White & Locke, 2000, pp. 389–390). Thus, to mediate the leader and follower relationship, the PE intervenes. Enlarging this knowledge from the psychological field to a FB context, the PE is expected to support positive expectations from the incumbent to the successor, alleviating, as a result, the tensions arising from the succession process. For this reason, in Publication I the PE is applied in a natural context, with the aim of examining how the expectations of the incumbent and the other stakeholders can influence the succession process of a family SME.

2.3 Research methodology

Publication I followed a qualitative approach to data, with a case study research strategy. In Yin (2018), the author suggest the performance of a case study qualitative research if the research questions are "how" or "why" questions (in this investigation: *How the PE is developed and how it can be preserved during the succession process?*). Additionally, the same author favours the conduction of case research when delving into real life contexts (Yin, 2013, p. 13).

Given that random sampling is not a requirement to perform case theory building (Eisenhardt, 2021), the investigation sample comprised the most relevant cases available of real FBs intra-family succession processes. In what concerns the family business field, De Massis and Kotlar (2014) compiled a set of recommendations for the carry out of case studies in a FB context where the performance of further case studies to dig into FBs idiosyncratic character was encouraged. This feature fosters the emergence of complex phenomena, different from those that emerge in non-FBs and, thus, requires the use of appropriate research methods. Accordingly, in the study of intra-family succession process, case research strategy served better to the research aim of examining the black box of expectations of the incumbent and the other stakeholders of a family SME and their influence on the succession process. To end up, research on expectations considering not only the incumbent and successor, but also additional stakeholders is scant. Specifically, Publication I is of exploratory nature because the application of the PE phenomenon (rooted in the psychological field) to the family business field is underexplored and it required the employment of qualitative techniques.

2.3.1 Data collection and data analysis

Data was collected within a period of 4 years and 8 months, from June 2014 to February 2019. To do so, interview as a research instrument was used, namely semi-structured interview. A multiple-case study typology was employed to observe the deployment of the PE from various perspectives.

Data gathering was built upon the establishment of five selection criterion[1] and a unit of analysis (i.e., the challenged PE in intra-family management succession processes in family SMEs).

Table 2.1. Case-study selection criterion

Case-study selection criterion (Martínez-Sanchis et al., 2020b, p. 916)	
1st	Firms had to be SMEs at the time of selection
2nd	During the succession processes, the expectations of the predecessor had to be explicitly perceived by the successor
3rd	During the succession processes, explicit situations which challenged the PE that was taking place took place and were overcome
4th	Members of different generations had co-existed actively in the firm during a period where the intra-family succession process too place
5th	Firms had achieved the intra-family managerial succession process

[1] For further details on case study selection criterion, please refer to Publication I, Table 1.

A total of thirteen interviews were conducted, which corresponded to four cases: case A, case B, case C, and case D. At least three participants[2] representing family and non-family members were interviewed for all cases (four in case D). Each interview lasted an average of 45-150 min, and the transcriptions of interviews yielded to 67 pages. To analyse data, thematic data analysis was employed and because the aim of data collection was understanding of perceptions of those actors involved in the PE process, "neither a numerical measurement nor a statistical analysis was necessary" (Martínez-Sanchis et al., 2020b, p. 5).

2.3.2 Quality in qualitative research

Several recommendations singled out by qualitative researchers and family business scholars were followed in Publication I.

First, to gain insights into a process, such as the PE's antecedents and its development in intra-family succession process, "too many cases could be detrimental rather than beneficial" (Kammerlander & De Massis, 2020, p. 7). Following this logic, a number of cases of four suffice to respond to the research question in a trustworthy manner. Second, to capture the phenomenon under study is captured in a faithful way, selection criteria per each case were established, ensuring findings reliability and internal validity. Also, the interviews' transcripts were shared with participants and modified afterwards, according to their suggestions. In doing so, misinterpretations were tackled and corrected. Likewise, Yin (2003) advises were considered. More precisely, a protocol, an interview guide and a case study report were built up. Press releases, internal documents provided by the participants and websites[3] were reviewed as well. Finally,

[2] For details on interviews' and respondents' characteristics, please refer to Publication I, Table 2.
[3] The structure of the interviews together with other sources of information are detailed in Table 3 and Table 4 of Publication III.

construct validity and reliability were also ensured by applying triangulation techniques, including reference to different evidence sources and data contrasting processes.

2.4 Findings and Contributions

Publication I delved into the role of the PE in intra-family succession processes, identifying its antecedents and how it should develop in order to be preserved along generations. To do so, four cases of study were examined and interviews with different family and non-family members were included.

Overall, the findings showed that in successfully achieving intra-family succession, the incumbent's expectations of the successor are relevant, but so are other stakeholders. It was evidenced that in the PE process, other family and non-family members contribute to shared expectations that lead to action.

In case A, while successor showed disappointment, it was the new incumbent's and siblings' shared expectations of the successor that led to action. Likewise, the context of case B was critical due to threat of firm competitiveness and incumbent's health problems. Despite this, family and non-family members' shared expectations of the successor also led to action. In case C, instead, the successor was not accepted by non-family members, however a sibling's and non-family members' shared expectations led to action. Lastly, case D evidenced that absence of shared expectations because of lack of consensus may lead to a family division and, thus, to a critical situation for the FB.

Three theoretical contributions and two practical implications arose from Publication I. On the one hand, first, the PE concept that comes from the psychological field was introduced in the family business field and, more particularly, in intra-family succession processes. Aligned with this, the PE introduction allows to gain insights on a complex process as well as disentangle the role of expectations in such a context. Thirdly, because the setting of the investigation comprehended real cases of study, Publication I findings contribute to understand how expectations work in an organisational context, rather than in an experimental one, responding like this to previous literature calls.

On the other hand, practical implications emerged for the incumbent-successor role in the PE and for the role of other key stakeholders in FBs and non-FBs. For the first one, to achieve a successful succession, successor's willingness and self-expectation performance should be fostered, giving room to his/her proposals. For the latter, the alignment of the successor and key stakeholders' positions should be properly addressed as the need of shared expectations by including these stakeholders was evidenced in order to successfully achieve the intra-family succession.

2.5 Summary Chapter 2

Chapter 2 addresses the research questions *How the PE is developed and how it can be preserved during the succession process?* The first section justifies the research need of covering this gap in the literature of family business. After, the second section offers a literature review on FBs studies considering intra-family succession processes and the role played by the PE. Thirdly, following the logics of a case study research strategy, section 3 deploys the qualitative methodology employed for the four selected case studies. The last section summarises the main findings and contributions gained thanks to the carry out of Publication I.

PUBLICATION I

How the Pygmalion Effect operates in intra-family succession: Shared expectations in family SMEs

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Chapter 3.

How does the territory impact on EF embeddedness?

3.1. Research justification

3.2. Theoretical framework

3.3. Research methodology

3.4. Results, Findings, and Contributions

Summary Chapter 3

Publication II

3.1 Research justification

FBs predominant form has led to a research focus towards their impact on the territories, including contribution to national Gross Domestic Product, creation of sustainable employment and fostering of local development (Backman & Palmberg, 2015; Bammens et al., 2015; Bjuggren et al., 2011; Gomez-Mejia et al., 2020; Memili et al., 2015); but also, generation of local spillovers, influence on institutional contexts and the taxation system, among other pervasive effects (Amato et al., 2020; D'Allura, 2019; Reay et al., 2015). Although literature has recognised the benefits of FBs presence, only recently it has acknowledged this impact by considering EFs instead of the businesses (Berent-Braun & Uhlaner, 2012; Nordqvist & Melin, 2010; Uhlaner et al., 2012). This has resulted in an identification of potential threats caused by external forces that can menace the continuity of EFs (Carretero Gómez et al., 2018).

Despite there is a requirement for the growth and continuity of FBs of being locally embedded (Baù et al., 2017, 2019; Bichler et al., 2021; Nordqvist et al., 2013), literature has not addressed yet how EFs embeddedness is impacted by the territory. Although some constructs and perspectives have emerged in the literature by considering the embeddedness between the family and the firm (i.e., family embeddedness, cf. Aldrich & Cliff, 2003; modes of embeddedness, cf. Le Breton-Miller & Miller, 2009), literature is still lacking a territorial perspective on how the embeddedness of these families is conditioned by their territory.

To resolve this tension, a first empirical approach to how this continuity can be jeopardised is performed in this chapter, which will be complemented with a second international cross-region investigation deployed in Chapter 4.

As a result, the above-mentioned research gap is addressed and research question 2 together with its corresponding sub-objective are formulated in Publication II:

RQ2: How does the territory impact on EF embeddedness?

S2: To identify the territorial factors that impact on EFs embeddedness

3.2 Theoretical framework

To address the above-mentioned research question, Publication II brought together research from the regional development and the family business field. Considering these, in this section, the main theoretical assumptions that relate to the research questions are reviewed.

3.2.1 Family business field: Entrepreneurial Families

FBs' ability of combining entrepreneurial skills with family ownership has been subject of study from both, the family business and the entrepreneurship field (e.g., Aldrich & Cliff, 2003; Basco et al., 2019; Dyer & Handler, 1994; Lumpkin et al., 2011; Randolph et al., 2017). As ventures generators, entrepreneurial FBs can either hinder/favour entrepreneurial behaviours (Nordqvist & Melin, 2010). However, the culture of the community where FBs are embedded can also influence strategic decisions such as divestment (Sharma & Manikutty, 2005). Hence, whether an individualistic/collectivistic culture is fostered, FBs investment in a business unit could be at risk. More importantly, for them to grow and continue, FBs need to be locally embedded (Baù et al., 2019).

This reciprocal dependence between the territory and entrepreneurial FBs requires the consideration of the EFs that stand behind the businesses. However, despite the recognition of families as economic contributors to communities started long ago (Burgess, 1926; Levinson, 1971; Parker, 1932; Thomas & Znaniecki, 1918), family business field has started to acknowledge their contribution to territories lately. In the literature, EFs, defined as “a phenomenon where several members of a family create and develop one or more business enterprises over time” (James et al., 2020), most of times have been considered from a contextless approach, missing as a consequence the impact exerted from the territory on them. Therefore, to extend this line of research, a micro-macro approach is needed. One where the family is considered (Bertrand & Schoar, 2006; Combs et al., 2019; Payne, 2020; Seaman, 2015) as well as the context (Basco, 2020; James et al., 2020; Wright et al., 2014; Zahra et al., 2014) where it is embedded. For this reason, to understand the territory dynamics and how this relates to EFs, to review research on regional development is required.

3.2.2 Regional development field: Territorial embeddedness

One of the main focus in the regional development field is to study “exogenous and endogenous factors and the processes that occur within the territory and favor sustainable regional growth and development” (Basco, 2015, p. 259). As predominant territorial actors whose presence is well above the rest of business forms, FBs contribute to the regional development of the territory where they are embedded and, at the same time, they can be affected by their environments (Carretero Gómez et al., 2018; Goschin et al., 2020). To understand this dichotomy, scholars have combined regional development and family business literature to use embeddedness concept (e.g., Basco, 2015, 2017; Baù et al., 2019; Bird & Zellweger, 2018; Selcuk & Suwala, 2020; Wiklund et al., 2013), as a tool that helps in explaining the tie that enmeshes firms to the local economy and institutions (Granovetter, 1992; Taylor, 2001).

Dated back to Polanyi (1944), embeddedness concept has been addressed in the literature from different fields of study (history, e.g., Argyres et al., 2020; management, e.g., Cohen et al., 1969; regional development, e.g., Pallares-Barbera et al., 2004;

anthropology, e.g., Sardan, 2013; economic sociology, e.g., Uzzi, 1997; information systems, e.g., Yang & Cheng, 2010, to mention just a few).

The embeddedness can be referred to different contexts. For instance, recently, considering the embeddedness of FB from a territorial level, Pallares-Barbera et al. (2004) coined territorial embeddedness and referred to it as “the enmeshing of economic and cultural relationships within broad territorially placed social and institutional structures that facilitate social relations” (2004, p. 637). In the family business field, embeddedness has been studied at different levels and from different perspectives (see Table 3.1.).

Table 3.1. *Embeddedness in the family business field*

Author/s	**Main concept**	**Contribution to the study of embeddedness in the family business field**
Aldrich and Cliff (2003)	Family embeddedness perspective	Framework on the characteristics of entrepreneurs’ family systems that can influence the processes involved in venture creation (p. 574)
Bird and Zellweger (2018)	Relational embeddedness	Evidence of family embeddedness disparate effect on growth depending on family type, by applying family embeddedness arguments beyond the founding context and to the family team level (p. 265)
Le Breton-Miller and Miller (2009)	Social embeddedness	Consideration of the social embeddedness of firms and their key actors within the institution of the family for different types of public family enterprises (p. 1169)
Wiklund et al. (2013)	Embeddedness perspective	Use of variables related to the structure of the family and family members’ involvement in the business as indicators of family structural cohesiveness and the embeddedness of the business in the family (p. 1320)

Specifically, Le Breton-Miller and Miller (2009) alluded to the fact that firms and main stakeholders can be embedded within the families to recognise the relevance of the concept. Indeed, the recognition of different types of social spheres in which firms are embedded is not new in the literature, as Zukin and DiMaggio (1990) already formulated that there are four ways in which firms can be embedded, which authors labelled as modes of embeddedness. Namely, cultural, political, structural, and cognitive.

However, the embeddedness of families in a territory, defined as "where the accumulation of economic actions and common values takes place" (Pallares-Barbera et al., 2004, p. 638), has not been tackled neither by regional development nor by family business research. To understand how the territory can condition EFs embeddedness, Publication II revisits the modes of embeddedness proposed in Zukin and DiMaggio (1990) and later on in the family business field by Le Breton-Miller and Miller (2009) and applies them to the EF-territory binomial.

First, in Publication II it is argued that EFs embeddedness can be impacted by the social norms and values inherited in a territory and established as a normal pattern of behaviour. This way of conditioning EFs is encapsulated within the cultural mode of territorial embeddedness.

Second, the political mode of territorial embeddedness refers to the constrain that can prevent EFs from remaining embedded due to market and non-market institutions' exertion of power. This mode of embeddedness includes the pressures from regional governments, territorial associations and other regional actors that can impact on EFs.

Thirdly, the involvement of EFs in the territory's life through contact networks is represented by the structural mode of territorial embeddedness. In this sense, the reliance of EFs in relationships with other regional actors can either support or hinder EFs embeddedness by enhancing/constraining their acquisition of new skills, by building joint ventures and by providing them with access to resources, among others.

Fourthly, the cognitive mode of territorial embeddedness is referred here to the impact on EFs rationality that results from the emotional attachment of the family with the territory. The role of past common history and experiences can facilitate the interactions among other firms in the territory impacting on EFs embeddedness. Table 3.2. gives an overview of this revision of cultural, political, structural, and cognitive modes of territorial embeddedness.

Table 3.2. *Conceptual revision of modes of embeddedness and application to the EF-territory binominal*

	Publication II	**Zukin & DiMaggio (1990)**	**Le Breton-Miller & Miller (2009)**
Cultural	The norms and values accepted by the society, which shape EFs' economic strategies and goals	The role of shared collective understandings in shaping economic strategies and goals	The cultural values and assimilated norms shaping economic goals and strategies
Political	The power exercised by territorial economic actors and non-market institutions that impacts on EFs economic decisions	The manner in which economic institutions and decisions are shaped by a struggle for power that involves economic actors and nonmarket institutions	The distribution of power between economic actors and nonmarket institutions, in this case, the family
Structural	The impact of territorial social networks and close relationships on EFs' ongoing involvement in the territory	The contextualization of economic exchange in patterns of ongoing interpersonal relations	The context of economic exchange—the network of interpersonal relations within which exchange takes place
Cognitive	The representations, interpretations, and meanings of the territorial actors that impact on the rationality of EFs	The ways in which the structured regularities of mental processes limit the exercise of economy reasoning	The extent to which similarities in representations, interpretations, and meanings limit economic behavior and manifest in bounded rationality

3.3 Research methodology

A qualitative methodology was conducted in Publication II. Responding to family business literature calls to make explicit the philosophical motivations underpinning a qualitative methodological choice (Fletcher et al., 2016), as follows, three reasons are argued for this investigation.

First, on the roots of qualitative research is the social constructionist interpretive approach, which sakes for understanding how meanings are constructed and attached to objects by subjects. Under this premise, it is believed that “reality is socially constructed and fluid” (Cohen & Crabtree, 2006) and, thus, its perception varies depending on the culture, the setting and the subject’s interaction with other subjects. In this investigation, it is argued that EFs embeddedness is constructed conjointly by EFs and territorial agents. As literature suggests, it is through conversations with interviewees that the reality is moulded. In this case, to understand how territory’s impact on EFs embeddedness, naturalist methods rooted in the constructive tradition served best the research purpose. Specifically, interviews were used, which are recommended in dealing with FBs investigations (Kammerlander & De Massis, 2020). Interviews not only provide the scaffolding to tackle the complexity of FBs, but also allow for different phenomena to emerge as interviews are held, which otherwise would be veiled or hardly reachable.

Second, to challenge extant literature, to shed light on contradictory quantitative results and to generate theory are among qualitative research purposes (Kammerlander & De Massis, 2020). This methodology is especially useful in the family business field where paradoxes, complex phenomena and dualities arise due to the ambivalent nature of two coexisting systems (i.e., the family and the business). As a result, literature has adapted historical concepts (e.g., Janus-Face, cf. Miller et al., 2015) and coined terms such as the ability-willingness paradox (Chrisman et al., 2015), or community socioemotional wealth (Kurland & McCaffrey, 2020) to explain the rationale behind apparently incoherent conducts. Despite this, EFs embeddedness in a territory, which implies behaviours that sometimes go against the economic self-wellbeing of the family to benefit the territory is yet under theorised. Although the impact of a regional context in the embeddedness of FBs has been researched before (Bird & Wennberg, 2014), the consideration of the embeddedness at the family level and how the territory impacts on it is still lacking. Therefore, extending the current understanding of territory's impact on EFs embeddedness, which is yet not well theorised, was aligned with the performance of a qualitative research.

Thirdly, in dealing with complex phenomena qualitative investigations are recommended. Publication II tackles a concept (embeddedness) that has been treated from an array of fields (referred to in the previous section) because of its kaleidoscopic nature. Furthermore, this investigation addresses such a concept together with an entity that has been defined by literature as highly idiosyncratic (Kammerlander & De Massis, 2020). All this justifies the need for a qualitative research that allows the study of phenomenon that is developed over time and that is subject to changes in the setting where it takes places, such in the case of EFs embeddedness in the territory.

3.3.1 Data collection

The collection of data started in June 2017 and ended up by February 2019. Along this year and a half period, a total of twenty-five participants were contacted and successfully took part in the dissertation project. Data collection stage is especially sensitive in a qualitative investigation because of two fundamental reasons. First, because it frequently involves research question's adjustments and second, because in contrast with quantitative research, collection and analysis of data take place simultaneously (Bansal & Corley, 2012). This investigation was comprised of two differentiated rounds of data collection (June-July 2017 and January-February 2019). Indeed, during this process, research question was reshaped and only when the second round was completed was the question formulated as *How does the territory impact on EF embeddedness?*.

The collection of data took place in the smallest province of Spain: Gipuzkoa. With hardly 2,000 km^2, it is placed at the bottom of domestic provinces according to the size. Interestingly, despite the scarcity of physical space, the selected research setting has been described in the literature as having a predominance of FBs owners with a high orientation towards remaining in the territory where the business was born (Aragón-Amonarriz et al., 2017). Another particularity of this territory that has greatly impacted on Basque Country entrepreneurs relates to the sixty years period violence exerted by a self-proclaimed independence terrorist organisation (Lenz & Glückler, 2020). This is especially true for Gipuzkoa region, where it murdered the highest number of citizens, among which entrepreneurs prevailed and were hijacked, obliging them to pay the so-called revolutionary tax (Alonso et al., 2011; Sánchez-Cuenca, 2010).

To collect data in a systematic way, two sampling methods were applied to the research setting. In the first round, a convenience sampling technique was followed after a research project that involved nearly nine hundred SMEs took place in Gipuzkoa. From the participants in this project, a total of twenty EFs agreed to take part in an additional project. For the second round, a purposive sampling technique was employed to contrast data gathered from EFs. At this point, professional participants with different profile characteristics were purposively sought. As a result of this process, up to five Local Experts (LEs) set up in the territory were contacted and participated, at which moment saturation was reached[4].

Aligned with the investigation social interpretive approach, data gathering relied on a naturalistic method, namely interview. The etymology of this word ('see each other')

[4] For further details on EFs and LEs characteristics, please refer to Publication II, Table 1, and Table 2.

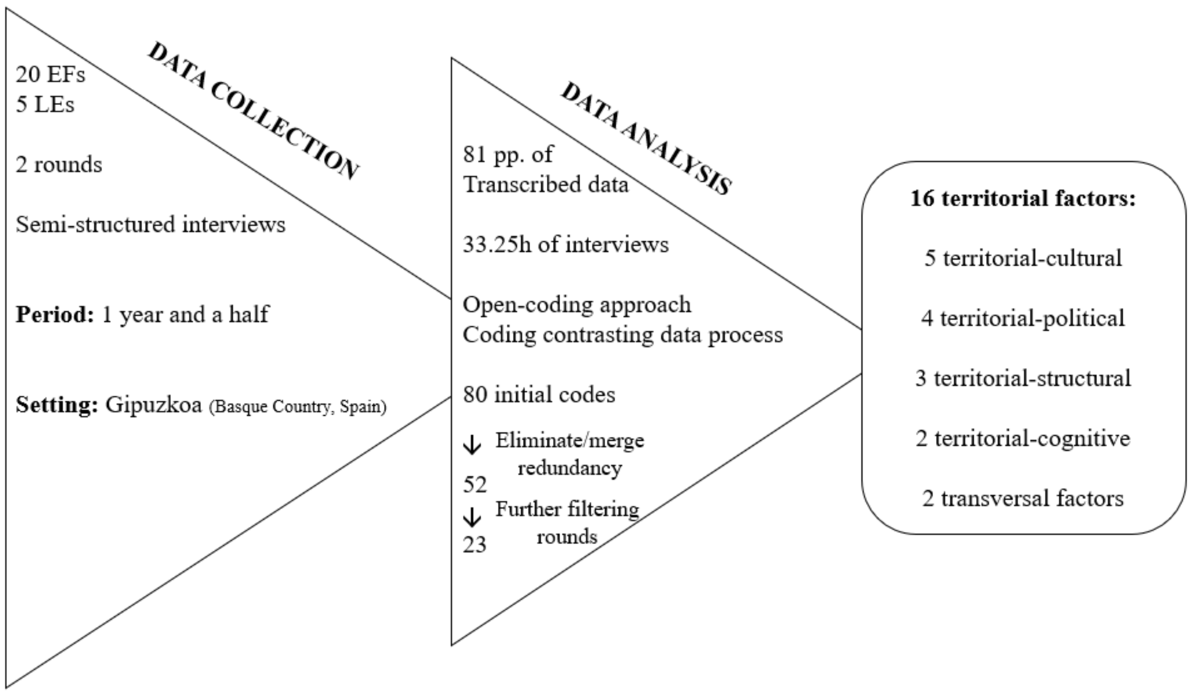
already suggests that, unlike in other research instruments where the researcher interacts as few as possible (e.g., survey), in an interview the role taken by the qualitative researcher is critical inasmuch as the reality is formed through negotiation that takes place precisely during the interview conversation (Cohen & Crabtree, 2006). In this sense, selecting semi-structured interviews served best the research aim, given that this facilitated the investigation of rooted behaviours in the interviewees regarding the embeddedness of EFs, sometimes hidden and which can emerge in face-to-face conversations. Before the interviews were held, an interview guide was compiled, a database for safely storing the information was created and a unit of analysis (i.e., EF embeddedness in the territory) was established (Yin, 2009). Lastly, during the process interviewees were posed open questions in order to give them room to express themselves and to not constraint their opinions and perceptions about the reality.

3.3.2 Data analysis

As previously commented in the last section, data collection and data analysis took place in a simultaneous manner. Thus, by the time saturation was reached and data collection finished, preliminary insights on the research question had emerged. The analysis, however, was extended over time long after the last interview was performed. This is because qualitative data usually requires several filtering rounds to unveil the meaning of excerpts and to avoid biases.

Therefore, firstly, EFs excerpts were coded and, afterwards, a coding contrasting data process was followed, so eventually 330 quotations were coded following an open-coding approach and 80 initial codes were identified. This contrasting process enabled to get as much variety as possible from the data by avoiding repetitions and merging codes (Saldaña, 2016). In doing so, two additional screening rounds took place, which led to further diminish of codes, ending up in 23. These codes were considered the territorial factors impacting on EFs embeddedness. However, only when more research group meetings took place, the investigation reached to the final 16 territorial factors. To carry out all this process, a unit of analysis was set up (i.e., the embeddedness of EFs), and the data was managed by an analytical scientific qualitative software named ATLAS.ti. In this respect, Figure 3.1. shows a graphical representation of data collection and data analysis process by condensing the most relevant figures.

Figure 3.1. *Research data collection and analysis*



3.3.3 Quality in qualitative research

To ensure quality in Publication II, two aspects were considered. First, reliability of the investigation was met by referring and following previous qualitative research recommendations on sample size, such as Boddy (2016) and Pratt (2009). Following these authors, it was argued that with as much as 12 cases it was sufficient to guarantee reliability on the findings of a qualitative investigation. Second, triangulation with LEs interviews to corroborate/differ on EFs' experiences as well as research group meetings between the three co-authors strengthened external and internal validity of the findings.

3.4 Results, Findings, and Contributions

Data filtering and analysis process yielded to the identification of 16 territorial factors, which are deployed within each of the modes of territorial embeddedness (see Table 3.3.), except for two of them, labelled as transversal given that they act simultaneously in more than one mode.

Table 3.3. *Territorial factors ranked according to citation frequency*

Mode of territorial embeddedness	**ID**	**Factor**	**Tf**
Territorial-cultural	C.1.	Culture of openness and transparency	114
	C.2.	Mindset of family professionalization in management and governing bodies	
	C.3.	Culture of developing transgenerational plans	
	C.4.	Culture of entrepreneurship	
	C.5.	Culture of family governance	
Territorial-political	P.1.	EFs related public policy mix	107
	P.2.	Labour and unions power	
	P.3.	Territorial conditions to attracting and retaining talent	
	P.4.	EF's perception of public policy	
Territorial-structural	S.1.	Institutional networks providing strategic resources	47
	S.2.	Relationship among EF's stakeholders	
	S.3.	Business cooperation and networks	
Territorial-cognitive	COG.1.	Social recognition of business owners	39
	COG.2.	Territorial attractiveness for young generations	
			307
Transversal factors	T.1.	Territory's business fabric	
	T.2.	Disruptive events	

First, the empirical research evidenced a prevalent impact of cultural mode on EFs embeddedness with the greatest number of quotations associated to it (114) and 5 territorial factors (C.1. – C.5.). Interestingly, it was found that cultural mode shows more heterogeneity when compared to the rest of modes (made up of the highest number of identified factors), evidencing a polymorphic impact on EFs embeddedness.

Followed by it, with 35% of total number of quotations associated, the political mode of embeddedness consists of 4 factors (P.1. – P.4.). The identification of these factors evidenced that the power exerted by market and non-market institutions in the territory can have an either hindering/favouring effect on EFs embeddedness, given that with their actions they shape EFs' economic decisions.

In third and fourth place, it was found that structural and cognitive modes impact to EFs embeddedness through 5 territorial factors. On the one hand, in what refers to the structural mode, S.1. Institutional networks providing strategic resources, S.2. Relationship among EFs stakeholder, and S.3. Business cooperation and networks were all identified as factors that can impact on EFs' ongoing involvement in the territory and, thus, on their embeddedness. On the other hand, COG.1. Social recognition of business owners and COG.2. Territorial attractiveness for young generations, made up the cognitive mode of embeddedness, illustrating the importance of considering factors that affect to EFs' rationality inasmuch as they affect to EFs embeddedness.

Two additional factors were found out: T.1. Territory's business fabric and T.2. Disruptive events. Labelled as transversal, these factors impact on EFs was found to be relevant for their embeddedness as they act on more than one mode. These, which unexpectedly emerged during the interviews, highlight the importance of not solely considering the modes of embeddedness in isolation, but also to account for other factors that can neither be classified within one mode or another. This is because they act simultaneously in several of them, and are, therefore, necessary to understand the impact of the territory on EFs embeddedness.

Publication II found out that there are four ways in which the territory can impact on EFs embeddedness: cultural, political, structural, and cognitive modes. This investigation evidenced that it is through these four modes that territory exerts action on EFs, which can hinder/favour their embeddedness.

To end up with Chapter 3, as follows, theoretical and practical contributions of this investigation are summarised.

There are three theoretical contribution that stem from Publication II. First, this research has attempted to bridge regional development and FB fields by proposing a framework of territorial factors. This sheds light on the four modes through which the territory impacts on EFs embeddedness by deploying the particular shapes that this impact can take through the labelling of 16 factors. Second, this investigation contributes to the family business literature by extending the understanding on EFs, by considering current literature calls to consider the family level when addressing FBs related issues. Thirdly, a perception effect on public policy mix has been unveiled. This effect is under researched in the FB literature but has proved to deserve further consideration to understand EFs embeddedness.

Finally, on the practitioners' side, two managerial implications are noteworthy. First, the identification of 16 territorial factors offers insights for both, EFs and managers in EFs, to reflect on how their embeddedness can be affected. These factors can be used as a guidance to strengthen EFs embeddedness. Furthermore, despite the external nature of these factors, they require of the participation of the families. Making them aware of this fact, may led to an increased willingness in preserving their continuity in the territory by focusing on these territorial factors. Second, this investigation can be of help to regional policymakers that intend to foster embeddedness of family-owned business in their territories. Territorial factors provide a starting framework to adjust policies in accordance with the modes of territorial embeddedness.

3.5 Summary Chapter 3

Chapter 3 offers insights on the theoretical framework, research methods, results, and contributions developed in Publication II. It shows how the research question *How does the territory impact on EF embeddedness?* is answered through the performance of a qualitative investigation. To do so, firstly, the main theoretical assumptions from the family business and the regional development field are reviewed. This is followed by an explanation of the employed research methods, to end up by condensing the results and the theoretical and managerial implications of the investigation.

PUBLICATION II

How does the territory impact on Entrepreneurial Family embeddedness?

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Chapter 4.

How do different institutional settings impact on EFs' local embeddedness?

4.1 Research justification

Institutional contexts are made up of institutions and organisations, among which FBs prevail. To delve into the interactions between these entities, institutional theory has studied the impact institutional settings exert on regional and economic development (e.g., Gertler, 2010; Glückler & Lenz, 2016; Pike et al., 2015). However, despite the recognition of this influence, the consideration of context in management and organisational research is relatively recent (Gummesson, 2006; Johns, 2017; Welter, 2011). In the family business field, contextless research has been observed by a number of scholars (e.g., Backman & Palmberg, 2015; Basco, 2020; James et al., 2020).

To deal with this issue, the institutional context variable in FBs studies has started to be included in recent investigations (D'Allura, 2019; Soleimanof et al., 2018). Extant research combining institutional theory and family business research has studied the impact FBs have on institutional contexts (e.g., Reay et al., 2015; Sjögren, 2018), as well as the polymorphic impacts institutional contexts can exert towards them (e.g., Chakrabarti & Mondal, 2018; Lien et al., 2016; Peng & Jiang, 2010). In understanding these impacts, literature has referred to formal and informal institutions as mechanisms that regulate actors' patterns of behaviours. For instance, in the case of FBs' behaviour, formal institutions such as the legal framework in an institutional setting can influence strategic decision-making (Requejo et al., 2018), while informal institutions, such as a region's religion can influence FBs continuity as it interferes in succession intentions (Shen & Su, 2017). However, beyond the FB, "the family is the central nucleus in the study of family business. […] it is influenced by the institutional context" (D'Allura, 2019, p. 17) at the same time that it is embedded in its environment (Kox & Kramer, 2020).

The impact that institutional settings have over the EF behind the business has been scarcely analysed despite its relevance for FBs continuity (Baù et al., 2019).

To address this research gap, the research question 3 of the dissertation and its sub-objective are formulated in Publication III:

> RQ3: How do different institutional settings impact on EFs' local embeddedness?
>
> S3: To identify the formal and informal mechanisms that impact on EFs' local embeddedness in different institutional settings

4.2 Theoretical framework

To address the above-mentioned research question, Publication III brought together research from the family business field and institutional theory. Considering these, in this section, the main theoretical assumptions that relate to the research question are reviewed.

4.2.1 Family science theories and EFs local embeddedness

To dig into the understanding of business families, family science theories have made use of management and organisational theories (Jaskiewicz et al., 2016). Among these, the institutional theory has regarded the impact of families in institutional settings, as they "play a functional role in society that generates stability, making the family a core building block among institutions" (Combs et al., 2019, p. 9). More importantly, the family has itself been considered as a bundle of institutions that is impacted by institutional forces (Monticelli et al., 2020). To this extent, families are locally embedded, that is to say, they are engaged "in a geographically delimited network and/or institutional setting" (Baù et al., 2019, p. 362).

4.2.2 Institutional theory and EFs local embeddedness

Institutions, defined as “stable patterns of behaviour, enforced by rules and social control” (Colli, 2019, p. 26), interact with organisations. These interplays do not occur in a vacuum. In fact, institutional theory acknowledges that organisations are embedded in ‘the rules of the game’ (North, 1990) that, in turn, are entrenched in a particular institutional configuration, made up of formal (“the regulatory pillar involving formalized rules, laws and associated sanctions promoting certain behaviours and restricting others”; Hack-Polay et al., 2020, p. 4), as well as informal institutions (non-formalised mechanisms of behaviour and control).

The recognition of differences among institutional settings has resulted in institutional frameworks distinctions. Specifically, Hall and Soskice (2001) classification of countries into two institutional categories and some ambiguous cases (i.e., CMEs, LMEs and, Mediterranean capitalist systems) was popularised as a novel attempt to identify particular institutional features among institutional settings. This remarkable step forward in what concerns institutional theory has been later on reviewed and updated (e.g., Clifton et al., 2013; Glassmann, 2016; Hall, 2007; Hall & Gingerich, 2009; Nölke & Vliegenthart, 2009). The main features of CMEs, LMEs and Mediterranean systems are deployed in Table 4.1.

There is, however, one form of patient capital that is both impacted at the same time that it impacts on the institutional settings where it is locally embedded. This refers to EFs. Publication II evidenced that EFs embeddedness can be impacted via 4 modes (cultural, political, structural and cognitive). To extend this reasoning, Publication III argues that, from an institutional perspective, EFs local embeddedness can be impacted by different institutional settings in different ways. Acting through the modes of territorial embeddedness, formal and informal mechanisms, which are present in all kind of settings, can impact on EFs local embeddedness.

Table 4.1. *CMEs, LMEs, and Mediterranean Capitalism's characteristics*

Coordinated market economies	**Liberal Market Economies**	**Mediterranean Capitalism**
Firms depend more heavily on non-market relationships to: • Coordinate their endeavours with other actors • To construct their core competencies Non-market modes of coordination entail: • More extensive relational • Incomplete contracting • Network monitoring based on the exchange of private information inside networks • More reliance on collaboration	Firms coordinate their activities via: • Hierarchies • Competitive market arrangements Market relationships are characterized by: • The arm's-length exchange of goods or services • Context of competition and formal contracting	These business systems tend to have: • Signs of institutional clustering • Marked by a large agrarian sector and recent histories of extensive state intervention that have left them with specific kinds of capacities for non-market coordination in the sphere of corporate finance but more liberal arrangements in the sphere of labour relations

Source: Adapted from Hall and Soskice (2001, p. 8)

4.3 Research methodology

Publication III is positioned within the philosophical tradition of interpretivism, according to which "the complex realities of family businesses must be interpreted as something in order to be comprehensible" (Nordqvist et al., 2009, p. 298). As follows, the reasons behind this qualitative research choice are argued.

First, the focus of this investigation was placed on EFs local embeddedness, which takes place over time and where different actors, other than just the EF, contribute. Hence, to interpret this, a qualitative research question that allowed for the understanding of a process was posed (i.e., *How do different institutional settings impact on EFs' local embeddedness?*). Moreover, family business scholars have alluded to the benefits of conducting a qualitative investigation whenever the understanding of a process is sought (e.g., Fletcher et al., 2016). Not surprisingly, Kammerlander and De Massis (2020, p. 1) have argued that “family businesses present an especially rich and interesting context to study processes and mechanisms in a qualitative manner”.

Second, to study under-theorised topics, qualitative research serves best to the purpose of the investigation. In what concerns Publication III, the leverage of the family science theory and its recognition as a theory within the family business field is increasingly gaining attention but is yet not consolidated. Some examples of this are the calls in FBs related publications to consider its inclusion into FBs investigations, leveraging the awareness on the “missing variable” (e.g., Dyer, 2003; Dyer & Dyer, 2009; Neubaum & Payne, 2021; Payne, 2020). Additionally, research on the study of EFs embeddedness within an institutional framework is also infrequent. Finally, recent calls in the literature of institutional theory and family business have encouraged the pursuing of FBs studies in the context of institutions (e.g., D’Allura, 2019; D’Allura & Colli, 2019; Melin & Nordqvist, 2007). Particularly, researchers have identified insufficient knowledge on the impact of institutional framework at the family level of analysis. Specifically, to extend this line of research, it has been recommended the use of qualitative research (Carreri, 2019) due to the exploratory nature of the topic.

4.3.1 Selected regions

Selection criteria was established to target the appropriate institutional settings to be included in the sample (see Table 4.2.). The first criterion was to include countries that according to the Varieties of Capitalism’s institutional categorisation (Hall & Soskice, 2001) represented a CME, a LME, and two examples of Mediterranean ambiguous capitalist systems[5]. Because this is an exploratory research, where universalisation of

[5] For details on the literature match with the institutional settings selection, please refer to Publication III, Table 1.

findings is not sought but rather the observation of nuances, it served best the research objective to include regions within these countries as long as these countries were classified as abovementioned. Second, the selected regions had to possess certain characteristics: economic dynamism, EFs' significant contribution to regional business fabric, and EFs locally rooted. Besides, the selection of the studied regions was endorsed by a project where four European universities were engaged. This was relevant for the study of EFs local embeddedness because the researchers from the selected regions were deeply entrenched in those same regions. This meant that they had already broad experience in performing research with EFs, thus ensuring a close contact with them and with Local Experts (LEs) throughout the fieldwork.

Table 4.2. *Selection criteria match with selected regions*

Selection criteria	Basque Country Pay-de-la-Loire	Baden-Württemberg	Scotland
Regions belonging to countries classified as: CME, LME, and two Mediterranean capitalist systems	Regions belong to Spain and France, respectively, which are considered Mediterranean cases	Region belongs to Germany, classified as a CME	Region belongs to United Kingdom, classified as a LME
Regions should: • Have relevant participation of EFs in the business fabric • Have been identified by the literature for their outstanding economic activity • Have EFs locally rooted	(Aragón-Amonarriz et al., 2005; Pérez & Raposo, 2007; Radu-Lefebvre & Lagueste, 2016)	(Kraus et al., 2020; Kurland & McCaffrey, 2020; Witten Institute for Family Business, 2020)	(di Belmonte et al., 2016; Quinn & Seaman, 2019; Seaman et al., 2010)
Regions pertaining and endorsed by a project that involved four European universities	• Chair of Family Business (Deusto Business School, Basque Country, Spain) • Chair of Family Entrepreneurship and Society (Audencia Business School, Nantes, Pay-de-la-Loire, France)	Heidelberg University (Heidelberg, Baden-Württemberg, Germany)	Chair of Enterprise and Family Business, Queen Margaret University (Edinburgh, Scotland, UK)

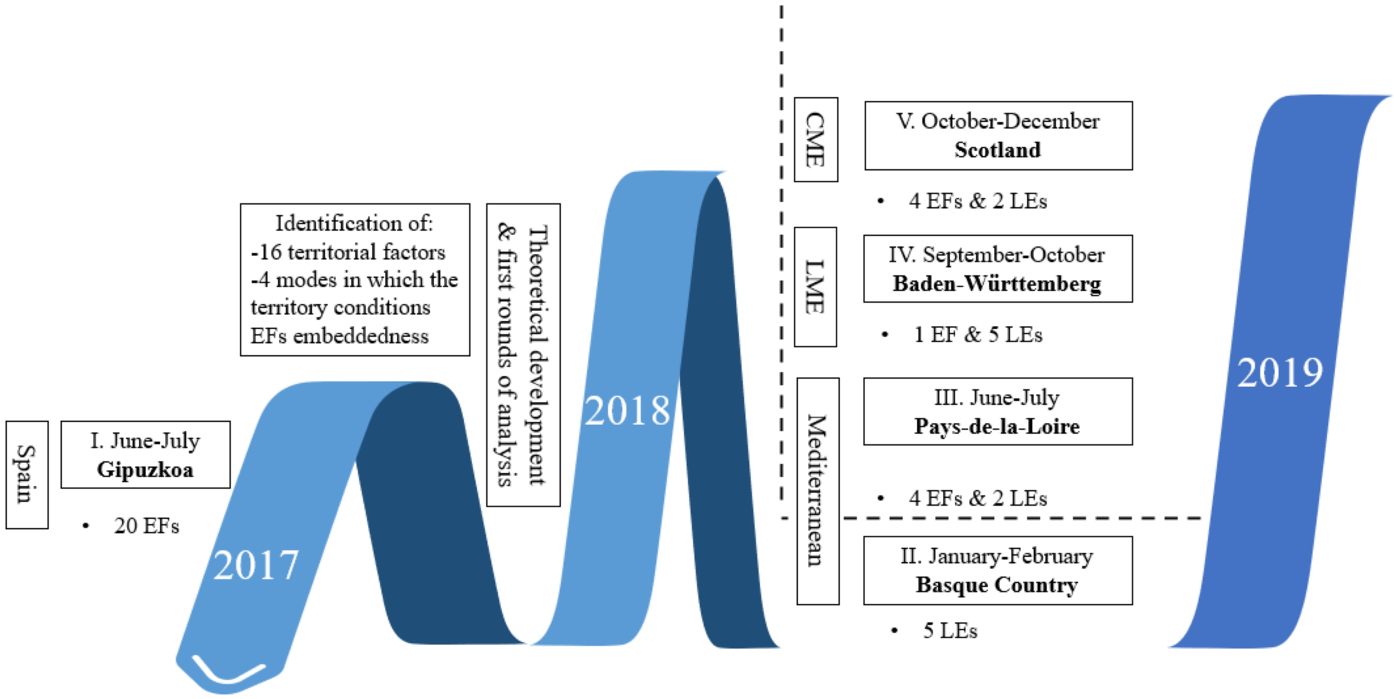
All this resulted in data collection taking place in:

- **Basque Country region**, in Spain, considered as one example of Mediterranean capitalist system.
- **Pays-de-la-Loire region**, in France, as an additional example of a Mediterranean capitalist system.
- The **region of Baden-Württemberg**, in Germany, as a CME.
- The **region of Scotland**, in the UK, as a LME.

4.3.2 Data collection

The research design envisioned two phases of data collection. It lasted two years and a half (June 2017 – December 2019). On the roots of the first phase, which took place in the region of Gipuzkoa (Mediterranean, Spain), there is a previous research project that aimed to study the embeddedness of EFs in a territory (Publication II). This resulted in the identification of four different modes in which the territory can impact on EFs embeddedness. In what concerns the second phase, it required the involvement of researchers from four European universities and three research stays carried out by the PhD Candidate to gather data. A total of forty-three participants from four European regions took part in the investigation. The sample included EFs and LEs. Figure 4.1. shows the data collection process with details about number of participants in each setting.

Figure 4.1. *Data collection process*



For the selection of EFs and LEs a convenience sampling technique was followed. In the Spanish setting, EFs came from a previous research project about FBs embeddedness in the territory in which they had taken part. Before that project finished, participants were asked whether they would collaborate in future projects. Those who answered positively were contacted again and took part in this investigation. In the rest of European settings, EFs were contacted through the research networks of the hosting researcher. In what regards LEs, in each of the institutional settings these were chosen due to their experience in FBs topics, their closeness to FBs of the regions concerns and their expertise on topics that related to FBs continuity (e.g., Tax advisor, Director of a regional centre of business competitiveness, Director of a well-known regional bank, Director of a regional FB association…etc.). The application of this selection criteria resulted in the inclusion of twenty-nine EFs and fourteen LEs[6]. An overview on age and gender characteristics by institutional setting is illustrated in Table 4.3., and Table 4.4.

To gather data, interview as a research instrument was employed given its appropriateness for studying processes (such as EFs local embeddedness) in FB qualitative research (Kammerlander & De Massis, 2020). Like in Publication II, open-ended questions were posed to interviewees and a unit of analysis was established (i.e., the local embeddedness of EFs). Systematic storage of data took place in a database built up for this purpose. Apart from that, Publication III relied on a technology-based software that ensured the proper collection of data. This tool supported in vivo recording of interviews by transcribing interviews' conversations. All in all, the gathering of data yielded to 244 pages of excerpts and 52.6 hrs of recording.

4.3.3 Data analysis

To analyse data and transform data into meaningful information, another technological tool was employed, ATLAS.ti. The use of this qualitative software provided the investigation with a systematic approach to data. The 777 quotations that emerged from the 43 interviews were split up into excerpts so they could be properly coded. Following an open-coding process, line-by-line each quotation was coded until the 34 initial codes emerged. These codes were further checked, looking for potential inconsistencies between what the interviewee expressed and what it was coded, eliminating and merging redundant codes that pointed out the same information. As a result, 20 institutional mechanisms were identified and classified as either formal or informal mechanisms, and according to the mode of embeddedness to which they belonged.

[6] For further details on EFs and LEs demographics, please refer to Publication III, Table 2, and Table 3.

Table 4.3. *EFs age and gender by institutional setting*

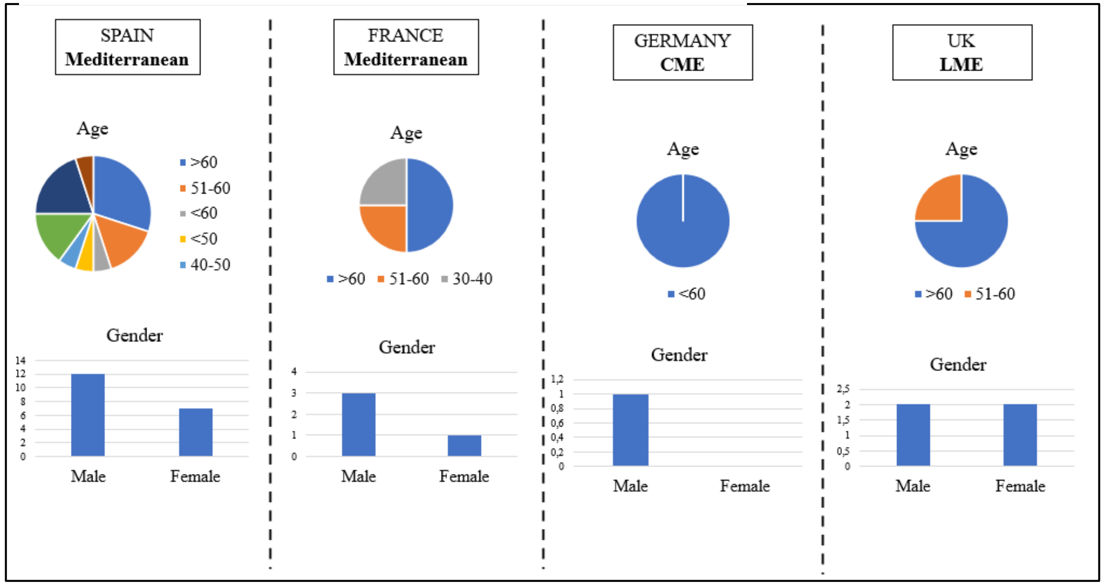
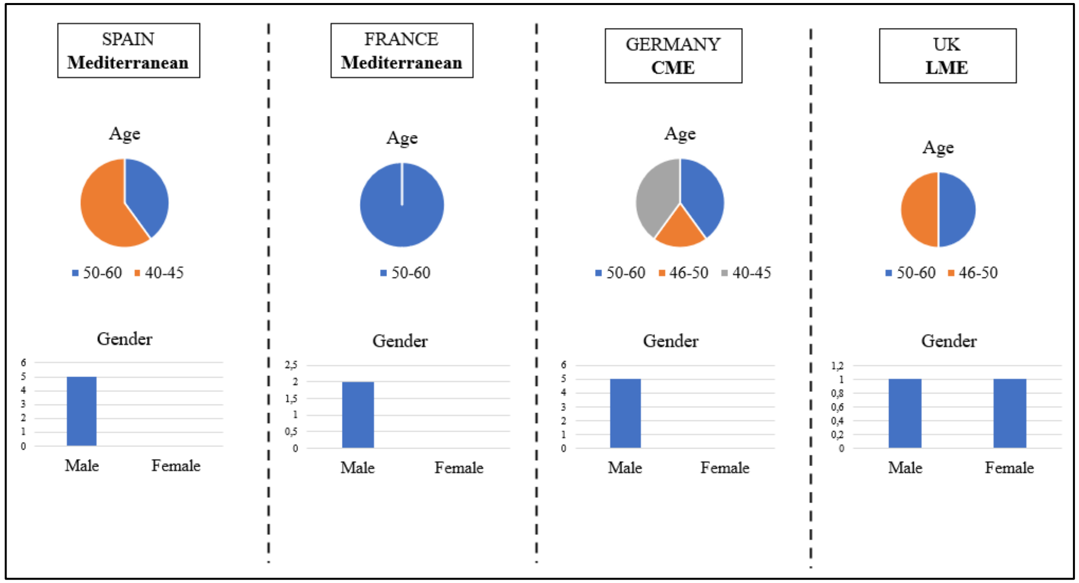


Table 4.4. *LEs age and gender by institutional setting*



Unlike in Publication II where the focus was placed on identifying "those facts, influences or circumstances that alter the results of a territory" (Martínez-Sanchis et al., 2020a), Publication III looked for formal and informal mechanisms in the institutional settings that could impact on EFs local embeddedness. Additionally, Publication III implied a quantitative treatment of qualitative data, a procedure that only took place in this part of the dissertation. To do so, a weighting process was applied, not for statistical purposes, but rather to acknowledge differences on the sample structure of each setting.

4.3.4 Quality in qualitative research

Publication III ensured quality procedures in the investigation via three ways.

In first place, reliability of data was sought. For the study of complex phenomena in a qualitative context, literature has evidenced that with a sample size of 12 is sufficient to reach theoretical saturation (Boddy, 2016). The present study more than exceeds this quantity with a sample size of 43 interviewees. Second, triangulation processes were included in the research process. Triangulation within the researchers' team, with interviewees by asking to LEs about the veracity of EFs' perceptions and looking at FBs' websites, and official reports from regional associations and governments. Such a procedure allowed for data internal validity as it assured that EFs local embeddedness (the phenomenon under study) was being captured properly by gathered data. To end up, because qualitative data was treated in a quantitative way during the relative weighting process, in Publication III it is duly stated that data is not statistically representative, and, thus, this procedures were used only for illustrative purposes on the sample structure.

4.4 Results, Findings, and Contributions

Data analysis yielded to the identification of a total of 20 formal and informal institutional mechanisms, identified among the CME, the LME, and the Spanish and French (Mediterranean) settings. Specifically, Publication III offered a framework of 6 formal and 14 informal institutional mechanisms[7] among the three targeted institutional settings.

Overall, the results showed a prevalence of informal institutional mechanisms' impact on EFs local embeddedness, over the formal ones. This was true for the three settings and evidenced the powerful impact of non-regulated patterns on how EFs local embeddedness is impacted. This result suggests that institutional settings should consider informal institutional mechanisms carefully, given that it is through them that EFs local embeddedness could be more impacted. Data also offered an interesting insight regarding the disparity between Spanish and French Mediterranean setting. While one setting attached more relevance to formal institutional mechanisms' impact on EFs local embeddedness (Spain), the other associated a higher importance to informal mechanisms (France). This finding suggests that being placed within the same category of institutional framework does not necessarily mean that EFs local embeddedness is impacted in the same way by the institutional setting.

Furthermore, the results shed light on different predominance on formal and informal institutional mechanisms depending on whether EFs were located in one of the following two groups: CME/Spanish (Mediterranean), or LME/French (Mediterranean).

The carry out of Publication III offered insights on how differently EFs local embeddedness is impacted by institutional settings. It was found out that varying

[7] For further details on formal and informal institutional mechanisms and their distribution among institutional settings, please refer to Publication III, Table 4, and Table 5.

institutional settings do impact differently on EFs local embeddedness. First, it was evidenced that under the CME and Spanish (Mediterranean), EFs local embeddedness was more impacted through formal patterns of behaviours, and this was reflected on the prevalence on formal institutional mechanisms among the interviewees in these two settings. Second, the results suggested that to remain locally embedded in the studied LME or French (Mediterranean) settings, EFs should consider informal institutional mechanisms more carefully than formal ones.

These findings are integrated with prior results regarding Publication II. While both, Publication II and Publication III addressed the continuity of EFs from an external perspective, Publication II focus was on EFs embeddedness from a territorial perspective, and Publication III on EFs local embeddedness from a multi-territory perspective. The main finding in Publication II about the fact that EFs embeddedness can be impacted by 4 modes of territorial embeddedness and specifically by 16 territorial factors, links with the framework of 20 institutional mechanisms that was elaborated on Publication III. This liaison is shown in Table 4.5. In both publications, it was evidenced that EFs can be impacted from both, a territory (through cultural, political, structural, and cognitive modes of territorial embeddedness) and an institutional setting (through formal and informal institutional mechanisms).

Table 4.5. *Liaison between Publication II and Publication III*

Mode of territorial embeddedness	**ID**	**Publication II initial codes**	**Publication III final institutional mechanisms**	
Territorial-cultural	C.1.	Mindset of family professionalization in management and governing bodies	C.1.	**Mindset of family professionalization in management and governing bodies**
	C.2a	Culture of closure in ownership	C.2.	**Culture of openness and transparency**
	C.2b	Culture of openness in management and employees		
	C.2c	Culture of openness/closure in governance		
	C.2d	Culture of openness and transparency		
	C.3.	Culture of developing transgenerational plans	C.3.	**Culture of developing transgenerational plans**
	C.4.	Culture of entrepreneurship	C.4.	**Culture of entrepreneurship**
	C.5.	Territorial identity that shapes EFs idiosyncrasy	C.5.	**Territorial identity that shapes EFs idiosyncrasy**
	C.6.	Culture of family governance	C.6.	**Culture of family governance**
	C.7.	History of the territory	C.7.	**History of the territory**
	C.8.	History of the EF	C.8.	**History of the EF**
Territorial-political	P.1a	Taxation	P.1.	**EFs' related public policy mix**
	P.1b	Subsidies		
	P.1c	Specific public policy for FBs		
	P.2.	Labour and unions power	P.2.	**Labour and unions power**
	P.3.	Territorial conditions to attracting and retaining talent	P.3.	**Territorial conditions to attracting and retaining talent**
	P.4.	EFs' related private sector policy	P.4.	**EFs' related private sector policy**
	P.5.	Dual education system	P.5.	**Dual education system**
	P.6.	EFs' perception of public policy	P.6.	**EFs' perception of public policy**
Territorial-structural	S.1.	Availability of specialized talent for specific business needs	S.1.	**Institutional networks providing strategic resources**
	S.2.	FBs commitment to local community	S.2.	**Relationship among EFs' stakeholders**
	S.3.	Business cooperation and networks in the territory	S.3.	**FBs cooperation and networks**
Territorial-cognitive	COG.1a	Social recognition of FBs owners	COG.1.	**Social recognition of FBs owners**
	COG.1b	Social recognition of FB contribution		
	COG.1c	FB community engagement and support		
	COG.1d	Territorial emotional connection		
	COG.2.	Territorial attractiveness for young generations	COG.2.	**Territorial attractiveness for young generations**
	COG.3a	Family successor rationale about the FB and the territory	COG.3.	**FBs attractiveness for young generations**
	COG.3b	FBs attractiveness for young generations		
Transversal factors	T.1.	Disruptive events		
	T.2.	Firm demography and firm characteristics		
	T.3.	Territory's infrastructures and space characteristics		
	T.4.	Territorial accessibility and mobility		
	T.5.	Emotional events		

Finally, in the light of Publication III's results and findings, this investigation offered theoretical and practical implications.

On the hand, this study contributed to the understanding of local embeddedness from a family perspective, thus, responding to recent calls in the literature to consider the micro-level of analysis in FBs studies (Neubaum & Payne, 2021) as well as the context (Basco, 2015). In particular, it contributed to understand that EFs are conditioned by formal and informal mechanisms and it offered a framework of 20 institutional mechanisms that explains the conditioning role of the institutional setting. This contribution extends the line of research started in Publication II, by offering a fine-grained view of the factors that affect to EFs continuity from an institutional approach. In doing so, this investigation also contributed to theoretically scant research on studies that include institutional theory and FBs literature at the family level. Bringing together research from these fields showed that institutional settings impact on EFs local embeddedness in different ways. To this extent, Publication III theoretically revised Hall and Soskice (2001) seminal work and contributed to revisit the institutional categorisation from the FB field. Fourthly, the carry out of Publication III implied an extension of qualitative studies at the European context. The performance of cross-regional qualitative investigations is sought by FBs scholars, but is yet scant (Botero et al., 2015), and evidence on FBs' European regions disparities requires further development (Basco & Ricotta, 2021). Therefore, with this study, methodological insights on the challenges and the main benefits that imply this sort of research are offered. On the other hand, Publication III highlights the need for managerial and policy adjustments. Given that it was found that institutional settings affect in different modes to EFs local embeddedness, policymakers should try to avoid one-size-fits-all approach. Rather, they are encouraged to identify the category of institutional framework where they are placed and, accordingly, apply policies for the sake of EFs continuity accordingly.

4.5 Summary Chapter 4

Chapter 4 elaborates on the research question *How do different institutional settings impact on EFs' local embeddedness?* In the first two sections, it brings together research from the institutional theory and the family business field. Section 3 singles out how the qualitative investigation was conducted by delving into data collection, analysis, and quality criteria processes. To conclude, the main results, findings, and contributions from Publication III are explained.

PUBLICATION III

Institutional settings and local embeddedness of European Entrepreneurial Families: an inter-regional comparison

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Chapter 5.

Concluding remarks

5.1 Connecting the dots: RQ1, RQ2, and RQ3

This dissertation provided a broad view on the continuity of EFs. To do so, the objective of the research included a comprehensive perspective. The attainment of this objective was further split up into three sub-objectives transformed afterwards into three research questions. From an internal perspective, intra-generational succession was addressed, whilst from an external perspective, an understanding on how the territory impacts on EFs embeddedness was sought. This section explains how these questions were answered, offering evidence on the proper accomplishment of the dissertation's objective and sub-objectives.

First, an examination on how the expectations of the incumbent and the other stakeholders of a family SME can influence the succession process (S1) was accomplished in Publication I. Literature on succession is rife with studies that consider factors that can make the incumbent to relinquish on handing over the reins of the business. However, this investigation puts at the fore the generation of expectations in this process and the role that the PE can take as a detangler. In doing so, research question 1, which was split up into research question 1^a (i.e., *How the PE is developed in the context of family SMEs?*) and research question 1^b (i.e., *How the PE can be preserved during the succession process?*), were answered. By taking a case research strategy, four cases that met the selection criteria were included. From the Publication I, it was found out that the generation of expectations towards the successor should be nurtured by the incumbent in a continuous manner in order to trigger the PE. Apart from that, data from the cases evidenced that, as a forging and time-consuming process, intra-family succession should include not only family members, but also key stakeholders, who do not necessarily belong to the nuclear family.

Second, to identify territorial factors that condition EF embeddedness (S2), a qualitative study placed in the region of Gipuzkoa (Spain) with twenty-five semi-structured interviews was conducted. In the light of a literature scarce understanding of the EFs embeddedness phenomenon from a territorial perspective, research question 2 was posed (i.e., *How does the territory impact on EF embeddedness?*). As a result, 16 territorial factors placed within the four modes of territorial embeddedness were identified. These factors shed light in the ways the external continuity of EFs can be put at risk by the territory, having an impact on EFs embeddedness. All this was condensed in Publication II.

To continue digging into the external approach of EFs continuity from a multi-territorial perspective, formal and informal mechanisms that impact on EFs' local embeddedness were identified (S3) by performing a cross-regional comparison at the European level. In tackling with S3, Publication III answered a missing literature gap, condensed in research question 3 (i.e., *How do different institutional settings impact on EFs' local embeddedness?*). While literature combining family business research and institutional theory had leveraged the relevance of considering the impact of institutional framework for FBs, few studies had considered such impact from the family level, and literature was suffering from a dearth of cross-regional comparison among impact of different institutional frameworks on EFs local embeddedness. Answering research question 3, Publication III evidenced that different regions pertaining to countries classified under different institutional frameworks did impact differently on local embeddedness, and that they did so through formal and informal mechanisms. The study included forty-three semi-structured interviews, and European regions from Germany (considered a CME), UK (considered a LME), and France and Spain (considered

Mediterranean capitalists systems) as research setting. This resulted in a scaffolding of 20 formal and informal institutional mechanisms present among the studied regions, demonstrating a disparate way of impacting on EFs local embeddedness.

5.2 Contributions

In understanding the continuity of EFs, this dissertation has joined the conversation of research dealing with the internal and external perspective. From the internal perspective, the investigation has contributed to literature on succession. From the external perspective, because this dissertation is mainly imbued with embeddedness literature and family science theory, theoretical implications closely relate with them. In addition, the investigation was also fed by the institutional theory, which has resulted in further theoretical contributions. Finally, a methodological contribution stemming from Publication III is also explained in this section.

5.2.1 Contribution to the succession literature (internal perspective)

In addressing the continuity of EFs from an internal perspective, the dissertation has contributed to a set of research investigations. As it can be observed from Table 5.1., although the main contribution of Publication I is to literature on succession, it also contributed to literature on leadership in FBs, social capital, and the psychological field.

In particular, from the carry out of Publication I, three theoretical contributions emerged, which nurture the family business field and, more specifically, literature on intra-family succession. First, the PE concept was introduced in a FB context, highlighting the power of expectations, and applying it for the benefit of an enhanced comprehension of the succession process.

Table 5.1. *Main literature to which the Doctoral dissertation has contributed (internal perspective)*

N	CLASSIFICATION	THEORETICAL FRAMEWORK	AUTHOR (S)	YEAR	TOPIC	EMPIRICAL MATERIAL	MAIN FINDINGS AND CONTRIBUTION
1	Journal article	Literature on responsible ownership	Aragón-Amonarriz et al.	2017	Responsible family ownership	Qualitative	Identification of key family social capital factors which play a relevant role in the transfer and sustainability of responsible family ownership
2	Journal article	Social capital theory	Arregle et al.	2007	Organisational social capital	Theoretical	Extension of social capital theory by exploring the creation of organizational social capital in the FBs context
3	Journal article	Literature on entrepreneurship	Bertschi-Michel et al.	2020	Emotions in FBs successions	Qualitative	Emotion mediation and role adjustment appear to foster individual-level satisfaction with the succession process
		Family business literature					
4	Journal article	Literature on leadership in FBs	Cater III & Justis	2009	Leadership in the succession process	Qualitative	Identification of six variables that help to explain family business successor leadership
5	Journal article	Literature on succession in FBs	De Massis et al.	2008	Intra-family succession	Theoretical	Preliminary model on the factors that prevent intra-family succession
6	Journal article	Literature on leadership in FBs	Eddleston & Kidwell	2012	Leadership in parent-child relationships in the succession process	Theoretical	Model to study deviance in the FB
7	Journal article	Expectancy theory	Eden	1988	Pygmalion Effect and expectancy	Theoretical	Model integrating trait and state expectancy and goal difficulty as determinants of performance
		The theory of achievement motivation					
8	Journal article	Top Management Team Theory	Ensley & Pearson	2005	Top Managements Teams in FBs	Quantitative	The parental TMTs result in more effective behavioral dynamics than the nonfamily TMTs
9	Journal article	Self-determination theory	Gagné et al.	2019	Motivation in FBs succession	Quantitative	Importance of incumbent and successor psychological states in determining succession outcomes
10	Journal article	Leader-member exchange theory	Gils et al.	2010	Leader–member exchange agreement	Theoretical	Model to explain the origins of leader-member exchange disagreement
11	Journal article	Reciprocity theory	Janjuha-Jivraj & Spence	2009	Reciprocity in FBs succession	Theoretical	Conceptual framework for FB succession called Bounded Intergenerational Reciprocity
12	Journal article	Literature on organisational social capital	Leana & Van Buren	1999	Organisational social capital	Theoretical	Introduction to the construct of organisational social capital and development of a model of its components and consequences
13	Journal article	Literature on succession in FBs	Leiß & Zehrer	2018	Intergenerational communication patterns in EFs and FBs	Qualitative	Identification of a typology of communication in FB succession distinguishing between four communication patterns
		Literature on EFs' characteristics					
		Literature on intergenerational communication in EFs					

Table 5.1. *(Continued)*

14	Journal article	Literature on succession in FBs	Meier & Schier	2016	Conflict of interest at the succession stage in public FBs	Qualitative	Explanation of how conflicts of interest at succession early stages may shape the incumbent generation’s room for maneuver when preparing the firm and the family for the succession
		Agency theory					
		Stewardship theory					
15	Journal article	Literature on self-esteem	Rauer & Volling	2007	Parenting and sibling jealousy	Quantitative	Receiving differential parental affection, regardless of whether the participant or their sibling was favored, was associated with more negative models of self and others, which in turn were associated with greater romantic relationship distress
		Attachment theory					
16	Journal article	Literature on value creation	Salvato & Melin	2008	Family social capital in FBs	Qualitative	Family-controlled businesses create financial value over generations through their ability to renew and to reshape their social interactions within and outside the controlling family
		Literature on social capital					
17	Journal article	Literature on social capital	Sanchez-Ruiz et al.	2019	Family social capital in FBs	Quantitative	Identification of three clusters of FBs, which include firms with Instrumental, Identifiable, and Indistinguishable family social capital
18	Journal article	Psychological field	Sharma et al.	2020	Psycological perspectives in FBs	Theoretical	Identification of psychological aspects of individuals and families that underpin family firm behaviors and outcome
19	Journal article	Implicit followership theories	Sy	2010	Examination of implicit followership theories	Quantitative	Evidence for content, convergent, discriminant, criterion, incremental validity, internal, and temporal consistency of the implicit followership theories instrument
20	Conference proceeding	Literature on parental styles	Tunkkari-Eskelinen	2016	Parental approaches in the succession of FBs	Qualitative	Possibility of identifying potential successors within a family by analysing the experiences of being a family member under the command of the founder of the FB
21	Journal article	Socioemotional wealth	Yu et al.	2020	Kinship in FBs	Quantitative	Compared with FBs with close kinship ties, those with distant kinship ties are more likely to appoint a nonfamily CEO and to pay nonfamily executives lower salaries
		Evolutionary psychology theory					
22	Journal article	Organisational identity theory	Zellweger et al.	2013	Nonfinancial goals in FBs	Theoretical	The visibility of the family in the firm, the transgenerational sustainability intentions of the family, and the capability of the firm for self-enhancement of the family positively influence the importance of identity fit between family and firm as well as the family’s concern for corporate reputation

Second, by considering the PE, insights on the complexity tied to the management of expectations within an intra-generational succession are revealed. Particularly, theoretical insights on how to unravel this process become apparent when the role of the PE is considered. To end up, Publication I extends preceding knowledge on leadership expectations by offering qualitative empirical evidence in a natural setting, overcoming one recurrent literature pitfall in this kind of studies.

From the external perspective, with the performance of context-based research, this dissertation has contributed to respond prior research calls in the entrepreneurship and family business field (Basco, 2020; Bichler et al., 2021; Welter et al., 2019). To do so, Publication II and III have joined the conversation of key investigations dealing with the external perspective to the continuity of EFs (see Table 5.2.) and have, thus, contributed to embeddedness literature, the family science theory, and the institutional theory.

5.2.2 Contribution to the embeddedness literature (external perspective)

This study approached embeddedness from a spatial perspective. From here stems the first theoretical contribution by revisiting the cultural, political, structural and cognitive modes of embeddedness (Le Breton-Miller & Miller, 2009; Zukin & DiMaggio, 1990) from a territorial perspective. A direct implication from this is the contribution to the longstanding problem of fuzziness and vagueness in the embeddedness concept[8].

[8] As Oinas (1997) already noted, "however popular, [embeddedness] remains a vague concept – not the least as it is employed in the economic geography literature (…) it needs to be complemented by more penetrating concepts, theorisations and empirical analysis." (p. 24)

Table 5.2. *Main literature to which the Doctoral dissertation has contributed (external perspective)*

23	Journal article	Social identity theory	Björnberg & Nicholson	2012	Emotional ownership in FBs	Qualitative	Identification of emotional ownership concept
		Attachment theory				Quantitative	
24	Journal article	Family business literature	Gomez-Mejia et al.	2011	Socioemotional wealth in FBs	Theoretical	Review of the family business literature from the socioemotional lens to explain seemingly disparate findings
25	Journal article	Behavioral theory	Gomez-Mejia et al.	2007	Socioemotional wealth and risk management in FBs	Quantitative	FBs may be risk willing and risk averse at the same time
26	Book chapter	Family business literature	Habbershon et al.	2010	Transgenerational entrepreneurship in FBs	Theoretical	Review of the theoretical foundations of transgenerational entrepreneurship and its role in the context of family and FBs
		Entrepreneurship literature					
27	Journal article	Stewardship theory	Le Breton-Miller & Miller	2009	Social embeddedness in FBs	Theoretical	Reconciliation of agency and stewardship theories in FBs by adopting a social embeddedness perspective
		Agency theory					
		Family business literature					
		Literature on embeddedness					
28	Journal article	Organisational commitment theory	Meyer & Allen	1991	Organisational commitment	Theoretical	Reconceptualisation of organisational commitment
29	Journal article	Literature on embeddedness	Pallares-Barbera et al.	2004	Spatial loyalty and territorial embeddedness	Qualitative	Identification of territorial embeddedness and spatial loyalty as major forces behind the economic dynamism of a region
		Literature on clustering					
30	Journal article	Management literature	Pérez & Raposo	2007	Longevity keys in large Spanish FBs	Theoretical	Identification of survival and competitiveness keys of firms included in the study
		Literature on historical interpretation					
31	Journal article	Psychological field	Pierce et al.	2001	Psychological ownership	Theoretical	Definition of psychological ownership and its organisational implications
32	Book	Regional development field	Valdaliso & Wilson	2015	Territorial competitiveness	Qualitative	Development of a theoretical framework on territorial strategy by offering qualitative empirical evidence
33	Book	Literature on economic sociology	Zukin & DiMaggio	1990	Structures of capital	Theoretical	Critical overview of the new economic sociology
34	Journal article	Family business literature	Basco	2015	Regional development and FBs	Theoretical	Development of a theoretical model that links the FB and regional development literatures
		Regional development field					
35	Journal article	Family business literature	Botero et al.	2015	FBs and the European context	Theoretical	Identification of research questions for the family business field to be applied within the European context
36	Journal article	Family science theories	Combs et al.	2019	Business families	Theoretical	Integration of made review with descriptions of family science theories that pertain to each business family's attribute
37	Journal article	Intergenerational solidarity theory	Gimenez-Jimenez et al.	2020	Intergeneration solidarity and FBs' succession	Quantitative	Affective commitment partially mediates the relationship between family business exposure and offspring’s succession intentions

Table 5.2. *(Continued)*

38	Journal article	Family business literature	Gomez-Mejia et al.	2020	Context research and FBs in Iberoamerica	Theoretical	Contextualisation of FB research by incorporating the Latin American context
39	Journal article	Literature on embeddedness	Greenberg et al.	2018	Embeddedness of small businesses in rural regions	Mixed method	Description of double-layered network embeddedness employed by rural business owners in an attempt to overcome some of the distance-related obstacles of their location
40	Book	Institutional theory	Hall & Soskice	2001	Varying institutional frameworks among capitalist systems	Quantitative	Categorisation of capitalist systems into two broad divisions: Liberal Market Economies and Coordinated Market Economies
41	Journal article	Institutional theory	Hodgson	2006	Institutions	Theoretical	Conceptual clarification on the notion of institutions
42	Journal article	Sociological theory	Kushins & Behounek	2020	Sociological theory in family business research	Theoretical	Provision of questions to help launch transformative research to move the field of family business forward
		Family business literature					
43	Journal article	Literature on succession in FBs	Lenz & Glückler	2020	FBs succession in different institutional settings	Qualitative	Framework applicable to other regions for making underlying normative behavioural guidelines visible, and for more precisely assessing the relationship between institutions and policies
		Institutional theory					
44	Journal article	Family business literature	Miller & Le Breton-Miller	2020	Conflicts in FBs	Theoretical	Presentation of moderating conditions and propositions based on FBs' bivalent qualities
45	Journal article	Literature on embeddedness	Uzzi	1997	Interfirm networks in EFs	Qualitative	A framework proposal to explain how embeddedness' properties vary with the quality of social ties, the structure of the organization network, and an organization's structural position in the network
46	Journal article	Literature on embeddedness	Wiklund et al.	2013	Ownership transition in FBs and embeddedness	Quantitative	Deployment of factors driving the choice between internal or external transition of ownership
		Structural cohesion theory					
		Family business literature					
		Literature on succession in FBs					
		Literature on entrepreneurship					
47	Journal article	Literature on embeddedness	Aldrich & Cliff	2003	Family embeddedness and entrepreneurship	Theoretical	Proposal of family embeddedness perspective to study new venture creation
		Family business literature					
		Entrepreneurship literature					
48	Journal article	Literature on embeddedness	Bird & Zellweger	2018	Relational embeddedness	Quantitative	Growth is determined by the relational embeddedness of a firm's entrepreneurial team and showed that family embeddedness has a disparate effect on growth depending on family type
		Family business literature					
		Entrepreneurship literature					
		Penrosean growth theory					

To do so, a second theoretical contribution emerged, that is, the disclosure of 16 territorial factors, which represent practical elements to bear in mind in understanding the impact of the territory on EFs embeddedness (Publication II). This also represents an addition to the regional development field and a complementation to investigations dealing with FBs' contribution to their regions (Basco, 2015; Basco et al., 2021).

5.2.3 Contribution to the family science theory (external perspective)

By placing the focus in the family instead of the business, this dissertation responds to literature calls in the family science theory to do more research at the family level (e.g., Aldrich et al., 2021; Dyer, 2003; James et al., 2012; Jaskiewicz et al., 2016; Jennings et al., 2014; Le Breton-Miller & Miller, 2018; Payne, 2020; Zellweger et al., 2012). This approach took place when considering the EFs embeddedness (Publication II), and the local embeddedness of EFs (Publication III) as the units of analysis. A second theoretical contribution stems from the use of family science theory and institutional theory simultaneously in Publication III. Doing so, extends previous theoretical efforts carried out in the same line (e.g., Basco, 2015; Lenz & Glückler, 2020), while offering new insights on the existing bonds between EFs and the institutional frameworks where these are entrenched.

Thirdly, this study contributes to the fulfilment of contextless research in investigations that consider the family and the business (Basco, 2020; Krueger et al., 2021). This dissertation emphasised that continuity does not depend only on internal factors, but also on external ones. To this extent, territorial agents can play a relevant role not only with the implementation of supportive business policies, but also by fostering the sustainment of the investor and entrepreneurial capital, the EFs. This complements the current line of research within the field of study (e.g., Aldrich et al., 2021; Basco et al., 2021; Randerson et al., 2020; Welter et al., 2019; Wright et al., 2014), which highlights the consideration of families embedded in their territories to fully understand their contribution to the entrepreneurial ecosystem (Bichler et al., 2021). In two out of three publications of the dissertation this was attained by theoretically contextualising the places where EFs are embedded, either by considering the modes of territorial embeddedness (Publication II), or the institutional categorisation of frameworks (Publication III).

5.2.4 Contribution to the institutional theory (external perspective)

The revisit to the Varieties of Capitalism categorisation, first originated from Hall and Soskice (2001) seminal work, from a FB perspective revealed theoretical implications inasmuch as differences arose on how EFs local embeddedness was differently impacted by different institutional settings. In other words, the contribution of Publication III to the institutional theory is two-fold. First, it delves into which institutional mechanisms (formal or informal) prevail in the impact of EFs local embeddedness, depending on whether these families are anchored in a CME, LME, or a Mediterranean capitalist system. Second, it pinpoints differences on EFs local embeddedness' impact within the same institutional framework (i.e., divergence among Mediterranean capitalist system).

5.2.5 Methodological contribution

A final contribution to method research literature applies to this dissertation. Stemming from the carry out of Publication III, a cross-region qualitative comparison at the European level was conducted. Cross-regional comparisons that employ a qualitative methodology and that involve different countries are especially appreciated in the research methods literature due to several reasons.

First, gaining access to participants willing to be interviewed among different regions each of which posing specific challenges to be overcome (e.g., cultural gap) is a main obstacle in this kind of studies. Second, a substantial amount of physical and intangible resources is required to support the successful accomplishment of the fieldwork time. Third, because of these two circumstances, these studies are usually scarce. For these reasons, the attainment of this study represents a rare example of its kind at the European level and push the field of international qualitative comparisons by offering some recommendations and challenges that researchers are expected to face.

5.3 Contributions to the policy and management practice

When in 2019 Ursula von der Leyen[9] (European Commission President-elect) referred to the families owning businesses as safeguards of European Union sustainable competitiveness (European Commission, 2019), she evidenced the relevance of pursuing research in the family business field. Scholars have recognised the stabiliser role of families for regions within the Union (Lenz & Glückler, 2020) because, unlike other typologies of businesses, FBs look after territory's wealth preservation for the sake of economic profitability at the same time that they return part of this created value to the territory where they are embedded. For this reason, policies at the European level have targeted SMEs to boost EU's territorial competitiveness. To do so, the European Commission has built upon various acts, plans and initiatives. Among these, noteworthy are the Expert Group on Family Business, the "Small Business Act" for European SMEs

[9] *"We should never forget that competitive sustainability has always been at the heart of our social market economy. We just called it differently. Think of the family-owned businesses all across our European Union. They were not built solely on shareholder value or the next bonuses. They were built to last, to pass down generations, to provide a fair living to employees. They were built on passion for quality, tradition and innovation."* – Excerpt taken from the speech by President-elect Ursula von der Leyen in the European Parliament Plenary on the occasion of the presentation of her College of Commissioners and their programme.

2008 (European Commission, 2008), the Entrepreneurship 2020 action plan (European Commission, 2013) and the European Observatory for Clusters and Industrial Change (EU Initiatives, 2020).

In this context, this dissertation contributes to both, policy-makers and practitioners alike by offering insights into the role of EFs within territories pertaining to the Union and into EFs' embeddedness as a mechanism to strengthen their anchoring and, as a result, a territory's business fabric. Specifically, this dissertation pinpoints four main implications that emerged from publications' findings, which reveal desirable policy and managerial actions.

(1) The inclusion of the PE within the equation of intra-family succession process has revealed that for the PE to be properly developed and preserved two aspects should be considered (Publication I). On the one hand, FBs' owners and managers should place value on feeding and nurturing the successor's willingness, and a positive expectation to take over the firm as the successor grows and gets involved in the family project. On the other hand, the incumbent should be aware that in creating and developing the self-expectations, other key stakeholders contribute as well. Therefore, the implication of actors in the development and preservation of expectations in order to have a successful succession is recommended to be shared.

(2) A framework of 16 territorial factors that impact on EFs embeddedness is set up in Publication II. These factors condense key information for regional experts, FBs associations, chambers of commerce and territorial stakeholders to foster the continuity of EFs in the territory. In particular, this framework acts as a guide for supporting family-owned business managers and policymakers' decisions by offering

qualitative empirical evidence through factors placed within the four modes in which EFs are embedded in the territory (cultural, political, structural, and cognitive).

(3) A perception's inertia effect was identified regarding public policy (Publication II). This effect ignites negative associations in EFs' perception of implemented public measures, which triggers a further flow of perceptions among family owners that can result in a potential exit from the territory. This inertia, despite being a perception, should not be dismissed by political actors inasmuch as it can turn out into a reality that can negatively affect to EFs' embeddedness.

(4) The performance of a cross-region comparison among countries belonging to the European continent (Publication III) has allowed to deepen into the relevance of considering institutional differences within the Union for the benefit of EFs embeddedness. These findings shed light for managers in FBs attempting to localise their activity in other European regions as well as for politicians aiming to implement FBs'-oriented effective measures. More specifically, the set of 20 formal and informal institutional mechanisms that was identified supports tailored-made policies adjustments at the same time that contextualises the institutional differences and similarities among the studied regions.

5.4 Limitations and Future research

5.4.1 Limitations

This investigation is with promising limitations that pave the way for future lines of research. Some of these are applicable to the whole dissertation (general limitations), while others are of specific nature and relate to either Publication I, II or, III.

Taking a philosophical stance entails methodological consequences. In the case of the present study, an interpretive approach followed by a qualitative research design was chosen given the appropriateness of these for the dissertation's aim, as it has been justified in previous chapters. While this choice has allowed for deep insights, it gives room for generalizability studies in the future, given that statistical representativity is not assured. Tied to this, focus on a given number of interviewees and cases for each of the presented publications has resulted in a thorough analysis of interviewees' perceptions and claims. However, both, the sample structure and the total number of participants, could be further enriched with larger samples in future studies. Moreover, in the three publications the phenomena under study were analysed at a given point in time because cross-section (transversal) investigations were performed. To deal with this, future studies could enlarge this exploratory evidence with longitudinal studies.

First, in what regards the publications, a post-crisis timing coincided with part of the research design in Publication I (i.e., the financial crisis that broke out in 2007). Thus, findings should be contextualised in light of this fact, as a potential bias towards the impact of the territory on EFs embeddedness may have taken place. In addressing this, research design involved a secondary round of data collection later on (January-February, 2019) with regional experts that could corroborate the impressions gathered from EFs. Second, given the scarcity of European qualitative cross-regional studies and literature recommendations on considering the regional level when dealing with the VoC framework, the application of Hall and Soskice (2001) national categorisation to regions (Publication III) was deemed to best serve the exploratory purpose of the investigation. Despite this, it should be acknowledged that these findings cannot be claimed to be representative of the whole nations to which the studied regions pertain. Thirdly, in considering the PE in the creation of shared expectations for the success of the succession process (Publication I), the leader and the follower roles were assumed to be taken by the incumbent and successor, respectively. At the same time, inter-stakeholder exchange was not explicitly addressed by this investigation. For this reasons, future researchers are encouraged to analyse these aspects by considering the polymorphic nature of the PE.

5.4.2 Future research

Future research prospects for the family business field remain exciting as scholars, research centres, journals and academic events are increasingly devoting their time to this highly idiosyncratic form of business that is the FB (Calabrò et al., 2018; Jimenez-Castillo & Hoy, 2019). In this line, the results from this dissertation suggest avenues for research in the domain of EFs embeddedness in the territory.

First, while this study contributes to palliate the fuzziness of the embeddedness concept by producing context-based research, it also attests that future avenues are still opened as questions regarding its measurement and its paradoxical nature remain unsolved. For instance, performing FB research, Baù et al., (2019, p. 377) point out to "owners' tenure in the region" as a "better measure of embeddedness" than others (i.e., direct observation of whether owners have close personal contacts in a region; Dahl & Sorenson, 2012, p. 1062). Pursuing a similar objective, Berrone et al. (2010, p. 94) allude to geographical concentration, distance and number of employed local population all condensed in a formula. These and other recent effortful attempts (e.g., Amato et al., 2021) for measuring embeddedness in the family business field reflect heterogenous proposals as well as the difficulty that entails addressing a complex concept (embeddedness) while associating it to an already compound system (the FB). To contribute to this regard, researchers are encouraged to nourish future works with exploratory evidence to theorise on the EFs embeddedness phenomenon while highlighting potential findings contradictions. As well, additional methodological works could unveil the trustworthiness of the employed measures while helping to understand the dynamics between embeddedness, FBs, and their territory. In a similar vein, following the findings from extant literature, this study has considered embeddedness as positive for both, EFs and the locations where these are anchored. This reciprocal benefit, however, should be re-examined from perspectives that consider the phenomenon of embeddedness as negative after a threshold point (Uzzi, 1997). A future line of research could look at examining after which point it is that being embedded becomes more negative than positive for EFs.

Second, methodological suggestions for the future apply to this investigation. Because qualitative research is thought to be “a field of thousand flowers” (Plakoyiannaki, 2020), in the current study the election of research instruments was limited to “two flowers”: interview and case study. These proved to be helpful in attaining the research aims by providing in-detailed and accurate descriptions of the units of analyses. Despite this, future research should look at carrying out qualitative research from different lenses, which could further complement the gained knowledge. In this regard, instead of applying an inductive approach to the study of EFs embeddedness in Publications II and III, an abductive process could purposefully look for negative cases where the results do not hold or, alternatively, for outstanding cases related to their sample structure (e.g., an EF where the majority of employees are women). By pointing out the incongruities of data, fruitful avenues could be opened thanks to serendipity. Likewise, an alternative methodological design for Publication I could imply the development of innovative comparative case study design (Bartlett & Vavrus, 2017). Precisely because the study of PE could be expanded “to other family constellations” (Martínez-Sanchis et al., 2020b, p. 924), comparative case studies would enlarge the scope of study to horizontal, vertical and transversal comparison.

Finally, a promising mean to extend this dissertation is by contrasting the findings with a new round of data collection. The fieldwork of the dissertation was conducted by December 2019. This means that the gathered responses were not influenced by the afterwards shock introduced by the pandemic. Due to this economic collapse, modifications on interviewees responses could have arisen. Future research should aim at understanding how this context could have affected to EFs embeddedness and, if necessary, provide policy-oriented suggestions to reignite EFs' productivity. Macro, meso and micro analysis are being promoted in this regard to effectively capture the effect size of this situation for family-owned businesses (Ratten & Jones, 2020). All in all, there is light at the end of the tunnel because families sustaining business are in turn supporting Europe's business fabric through the COVID-19 pandemic (De Massis et al., 2020). Yet, the question on how resilient will these EFs be, remains uncertain, and future studies will determine which characteristics possess those that make it through this disruption.

5.5 Concluding discussion

"In interpretative studies, the nuances, discrepancies and "outliers" are often the most interesting aspects and allow to see things that quantitative research would not. […]. Stressing those unknowns and pointing them in the results serves as a step for those who will eventually address them as a subject in future research and thus contribute to the overall theoretical development of the field."

Reviewer's comment to one of the

dissertation's publications

The main motivation of this dissertation originated from the recognition that family-owners in the Gipuzkoa region of Spain had either exited, sold, or left the territory after the crisis that broke out in 2007. To preserve this wealth, a deep examination of embeddedness mechanism was required to understand the tie between EFs and the territory's economy. The continuity of EFs was addressed from two perspectives, internal (Publication I), and external (Publication II and III). From an interpretive approach, three qualitative investigations were conducted. Results, findings, and theoretical contributions of these works were emphasised in previous section. However, there is one aspect frequently associated with the beauty of carrying qualitative research that has not been addressed, yet it deserves reflection: unexpected findings. Reflecting on the epigraph above, these unknowns can broaden the understanding of EFs continuity. In particular, the tension between theory and findings emerged during the dissertations' pathway by three means: Mediterranean cases of institutional setting, perception's inertia effect, and disruptive events.

Firstly, the application of Hall and Soskice's (2001) framework to the two Mediterranean regions participating in the study (Basque Country and Pays-de-la-Loire) revealed an unforeseen duality on how EFs local embeddedness is impacted by regions pertaining to countries within the same institutional framework. Theoretically, one would have expected EFs local embeddedness to be impacted in a similar way by both regions. Quite on the contrary, findings manifested a prevalence of formal institutional mechanisms' impact in the case of the Basque Country, and of informal institutional ones for the French region. One possibility may suggest the co-existence of two approaches to EFs local embeddedness within a same framework. Yet, another explanation could be that more research is due on institutional differences among European Mediterranean countries.

Second, as a result of political measures taken during the 2007 recession, a perception was generated that lasted in EFs for years after its origination. That business owners usually express their discomfort for this kind of measures, which are usually perceived as burdens, was not something new in literature. More surprisingly, however, was that, given by the timeliness of fieldwork, after a decade of the crisis beginning, these negative perceptions were still manifested among most of the interviewees. At that point, the collection of additional rounds of data from LEs unveiled a more fine-grained approach to the phenomenon. By referring to current jurisprudence and regional norms, experts confirmed the prevalence of these perceptions was unwarranted, yet it was damaging EFs' confidence on the political system. By the same token, encountering trails of the violence exerted to the FBs' owners, reinforced the consideration of traumatic experiences rooted in the past, although palpable in the present. These manifestations popped out automatically during EFs' and local experts' interviews. In the light of these two elements, a logical syllogism may apply: measureless phenomena enmesh with EFs, provoking a long-lasting impact on EFs embeddedness. The idea that intangibles (e.g., perceptions) persist on EFs even after what originated them disappeared (e.g., certain public policies) is an aspect that came out from this dissertation and provides food for thought for research discussion on EFs local embeddedness.

5.6 Summary Chapter 5

The final chapter of this Doctoral dissertation condenses its theoretical and practical implications. Policy-makers recommendations as well as managerial oriented implications are also highlighted in light of the findings from the three publications. The dissertation ends up by summarising research limitations and explaining how the present investigation has paved the way for future lines of research.

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7. Appendices

Appendix A.1. Model letter presenting the Doctoral project (long-standing relationship with the research team)

Appendix A.2. Model letter presenting the Doctoral project (snowball sampling technique)

Appendix A.3. Model letter presenting the Doctoral project (cold acquisition after internet search)

Appendix B.1.1. Semi-structured interviews guides with Entrepreneurial Families (English version)

Appendix B.1.2. Semi-structured interviews guides with Entrepreneurial Families (French version)

Appendix B.2.1. Semi-structured interviews guides with Local Experts (English version)

Appendix B.2.2. Semi-structured interviews guides with Local Experts (French version)

Appendix C.1. Informed consent form (English version)

Appendix C.2. Informed consent form (Spanish version)

Appendix D. Glossary of definitions

7.1 Appendix A.1. Model letter presenting the Doctoral project (long-standing relationship with the research team)

Bonjour [redacted]

La chaire Entrepreneuriat Familial & Société d'Audencia accueille Paula Martinez Sanchis dans le cadre de sa thèse. Elle mène une **étude comparative sur les facteurs favorisant l'ancrage territorial des entreprises familiales** (Pays Basque espagnol, Pays de la Loire, Allemagne, Edimbourg). Elle souhaite comparer les résultats obtenus avec notre région.

Paula a besoin de réaliser des entretiens avec des dirigeants d'entreprises familiales du territoire. Etes-vous **disponible durant le mois de juillet (1 heure)** ?

En l'attente de votre retour, je vous souhaite une excellente journée.
Cordialement,

7.2 Appendix A.2. Model letter presenting the Doctoral project (snowball sampling technique)

Dear [redacted]
My name is Paula Martínez-Sanchis, and I am a predoctoral student at Deusto Business School (San Sebastián, Spain), who is performing a research stay at **Queen Margaret University** with **Professor in FBs Claire Seaman**.

I am writing to you thanks to [redacted] who I recently had the opportunity of interviewing and who kindly suggested me to contact you.

The doctoral dissertation deals with the relationship between business families and the territory. This is based upon the premise that territory is not only the space where firms and business families are located but also it plays a significant role in anchoring business families. So far, in the Basque Country context, our research team has identified how the territory impacts on business family's embeddedness through a number of factors, and now we would like to **contrast their suitability in Scotland**. To do this, I will be staying in Edinburgh from 04/10/19 to 04/12/19.

Given your expertise in Scottish Family Business as part of your career path in [redacted] it would be really enriching for the PhD project if we could have an **interview (30min - 1h)** and contrast with you the identified factors.

I would like to express my gratitude in advance for your potential collaboration.
Thanks in advance for your time. I'm looking forward to hearing from you.
Sincerely yours,
Paula Martínez-Sanchis

7.3 Appendix A.3. Model letter presenting the Doctoral project (cold acquisition after internet search)

Dear [redacted]
My name is Paula Martínez-Sanchis, and I am a predoctoral student at Deusto Business School (San Sebastián, Spain), who is performing a research stay at the Universität Heidelberg with Prof. Dr. Johannes Glückler.

The doctoral dissertation, which is being supervised by Dr. Aragón-Amonarriz and Dr. Iturrioz-Landart, deals with the relationship between business families and the territory. This is based upon the premise that territory is not only the space where firms and business families are located but also it plays a significant role in anchoring business families. So far, in the Basque Country context, our research team has identified how the territory impacts on business family's embeddedness through a number of factors, and now we would like to contrast their suitability in Germany. To do this, I will be staying at Heidelberg from 02/09/19 to 03/10/19.

Given your expertise in German Family Business as part of your work in [redacted] it would be really enriching for the PhD project if I could have an interview and contrast with you the identified factors.

I would like to express to you my gratitude in advance for your potential collaboration.
Thanks in advance for your time. I'm looking forward to hearing from you.
Sincerely yours,
Paula Martínez-Sanchis

7.4 Appendix B.1.1. Semi-structured interviews guides with Entrepreneurial Families (English version)

Estimated duration time: 1h – 1:30h

Interview guide concerning territorial embeddedness of EFs

Brief introduction:

My name is Paula Martínez-Sanchis and I'm doing my doctorate at Deusto Business School (San Sebastián, Spain). The topic of my doctorate is the embeddedness of Entrepreneurial Families (EFs) in the territory, and more specifically how to prevent them from leaving it.

In the Basque Country, I have already carried out 20 interviews with EFs and 5 local experts. My provisional results show 16 factors that can condition the embeddedness of these entities. Currently, I am making an international contrast of those factors at a

European level: France, Germany and Scotland. To do this, during the interview I will make questions concerning these factors:

1. General questions

-Age (interviewee):

-Years of experience in the FB

-Age (EF)/date of EF constitution

-Number of family members inside the FB

-Number of employees

-Sector/industry

-Activity of the FB, internationalised?

2. Territorial-cultural embeddedness

-Is it important for you to have an **open and transparent culture** with your employees?

-Do you think having a **professionalized management and governing body inside the FB** is important for the continuity of the business? (e.g., upper part with studies, family members with experience in other businesses before working in the FB…etc.)

-Have you prepared a **transgenerational plan** for the business?

-Do you think your territory promotes **entrepreneurial behaviors/entrepreneurship**?

-Do you try to create **communication spaces** where you can exchange ideas with other family members/generations of the family regarding the continuation of the family project?

3. Territorial-political embeddedness

-Do you think **public policies** in the territory are created considering FBs needs?

-Do you think **trade unions** favour/hinder the continuity of the FB project?

-Do you find **difficulties in finding and/or retaining talent** in your territory?

4. Territorial-structural embeddedness

-Do you feel that the **institutional networks** provided by your territory help your EF to reach to key strategic resources? (e.g., territorial associations for FBs)

-Do you think taking care of **relationships with key territorial actors** (e.g., government) helps your EF to remain embedded in your territory?

-Do you think **cooperation with other FBs/non-FBs of the territory** helps your EF to remain embedded? (e.g., making synergies in order to attain greater objectives such as internationalization)

5. Territorial-cognitive embeddedness

-Do you think having a **social recognition from your community** helps you in keeping the family project anchored to the territory? (e.g., reputation in media, news, …etc.)

-Do you think working in a FB is more attractive than working in a non-FB for **today's young generations**?

6. Transversal factors

-Do you think the fact of being **located in this territory conditions** the continuity of the business family project? (e.g., business fabric of the territory, business size of the territory…etc.)

-Do you think that having experienced **disruptive events** in the territory can condition the embeddedness of the EFs? (e.g., terrorism, economic crises, natural disasters…etc.)

7. Additional factors

Would you like to add any other factor that was not mentioned during the interview and that you consider relevant for the embeddedness of EFs in the territory?

7.5 Appendix B.1.2. Semi-structured interviews guides with Entrepreneurial Families (French version)

Guide d’interview sur l’ancrage territoriale

Petite introduction :

Je m’appelle Paula Martínez-Sanchis et je fais mon doctorat a Deusto Business School (Saint-Sébastien, Espagne). Le sujet de mon doctorat est l’ancrage des Entreprises Familiales (EFs) au territoire, et plus spécifiquement comment réussir à qu’elles ne quittent pas le territoire.

Au Pays Basque, j’ai déjà fait des entretiens avec 20 EFs et 5 professionnels qui accompagnant des EFs. Mes résultats provisionnels montrent 16 éléments/facteurs qui sont très importants pour faire que les entreprises ne quittent pas le territoire. Actuellement, je voudrais faire un contraste de ces facteurs avec une étude comparative au niveau international (en France, Écosse et Allemagne). Pour cette raison, en ce qui suit je vous poserai des demandes qui concernent ces facteurs :

1. Questions générales

-Petit résumé de votre trajectoire professionnelle

-Âge (interviewé)

-Âge (EF) / date de la création de EF

-Taille de l’entreprise (nombre d’employés)

-Secteur/industrie

-Numéro de membres familiales dans l’EF

-Internationalisation de l’activité ?

-Est-ce que vous considérez l’option de trouver une personne pour céder (**dans de la famille**) ?

2. Ancrage territorial-cultural

-Les EFs du Pays de la Loire ont une **culture ouverte et transparente** avec ses employés ? (Ex. Participer du projet familial, et pas seulement les voir comment salariés)

-Les EFs du Pays de la Loire sont-elles **professionnalisées** ? (Ex. Études ou expérience professionnelle à l’extérieur de l’EF)

-Les EFs normalement préparent un **plan de transmission de l’entreprise** (charte familiale, plan de succession, transmission du capital…etc.)

-Le territoire **promeut l’entrepreneuriat** et met en place des outils pour attirer les entreprises ? (Ex. financiers, réseaux d’entrepreneurs, soutien de la recherche sur les entreprises familiales…)

-Les EFs privilégient des **moments informels** en famille au-delà du travail pour favoriser la communication entre les différents générations ?

3. Ancrage territorial-politique

-Est-ce qu’il y a une **politique publique au territoire lié aux EFs** ? (Ex. existe des politiques publiques qui favorisent ou non la transmission capitalistique de l’entreprise familiale

-Est-ce que vous pensez que **le pouvoir des organisations syndicales (salaries) et patronale** du territoire a un effet significatif sur la performance des EFs ?

-Est-ce qu’il y a des conditions territoriales qui favorisent **l’attrait et la rétention des talents** ? Est-ce qu’il y a des **difficultés à recruter ou fidéliser les talents** du territoire ?

4. Ancrage territorial-structurel

-Est-ce qu'il y a dans le territoire des **networks institutionnels** qui donnent accès à des ressources stratégiques ?

-Est-ce que les EFs ont la possibilité d'avoir des **rapports avec des acteurs clés au territoire** ? (Ex. Salon des entrepreneurs, Salon Grand Ouest entretiens…)

-Est-ce qu'il existe une vraie **coopération** avec les entreprises de la zone ?

5. Ancrage territorial-cognitive

-C'est important d'incrémenter **la notoriété des EFs** ? Est-ce que vous pensez que pour favoriser l'ancrage des EFs c'est important **d'augmenter leur reconnaissance sociale** ?

-Est-ce que vous pensez que le EFs ont **des problèmes à retenir et attraire des nouvelles générations** ?

6. Facteurs transversaux

-**Le fait d'habiter sur ce territoire conditionne sa durabilité sur le territoire ?** (Ex. Le tissu entrepreneurial du territoire)

-Avoir expérimenté des évènements de rupture/extrêmes dans le territoire (crise économique, inondation, attentat…) (ex : si terrorisme comme au pays basque, est-ce que vous resteriez ici ?)

7. Facteurs additionnels

Selon vous, existe-t-il un **autre facteur** que nous n'avons pas évoqué ensemble et qui permet de favoriser l'ancrage territorial des EF ?

7.6 Appendix B.2.1. Semi-structured interviews guides with Local Experts (English version)

Estimated duration time: 1h – 1:30h

Interview guide concerning territorial embeddedness of EFs

Brief introduction:

My name is Paula Martínez-Sanchis and I'm doing my doctorate at Deusto Business School (San Sebastián, Spain). The topic of my doctorate is the embeddedness of Entrepreneurial Families (EFs) in the territory, and more specifically how to prevent them from leaving it.

In the Basque Country, I have already carried out 20 interviews with EFs and 5 local experts. My provisional results show 16 factors that can condition the embeddedness of these entities. Currently, I am making an international contrast of those factors at a European level: France, Germany and Scotland. To do this, during the interview I will make questions concerning these factors:

1. General questions

-Age (interviewee)

-Brief résumé of working experience with FBs

2. Territorial-cultural embeddedness

-Do you think FBs of the territory have an **open and transparent culture** with their employees?

-Do you think having a **professionalized management and governing body inside the FB** is important for the continuity of the business in the territory? (e.g., upper part with studies, family members with experience in other businesses before working in the FB…etc.)

-Do you think FBs in the territory are normally prepared for succession and they have a **transgenerational plan**?

-Do you think territory promotes **entrepreneurial behaviors/entrepreneurship**?

3. Territorial-political embeddedness

-Do you think **public policies** in the territory are created considering FBs needs?

-Which do you think is the **perception of FBs** regarding policy mix of the territory?

-Do you think **trade unions** favour/hinder the continuity of the FB project?

-Do you think FBs find **difficulties in finding and/or retaining talent** in the territory?

4. Territorial-structural embeddedness

-Do you feel that the **institutional networks** of the territory help EFs to reach to key strategic resources? (e.g., territorial associations for FBs)

-Do you think taking care of **relationships with key territorial actors** (e.g., government) help EFs to remain embedded in the territory?

-Do you think **cooperation between FBs/non-FBs of the territory** helps EFs to remain embedded? (e.g., making synergies in order to attain greater objectives such as internationalization)

5. Territorial-cognitive embeddedness

-Do you think **EFs social recognition from their community** helps them in keeping the family project anchored to the territory? (e.g., reputation in media, news, …etc.)

-Do you think working in a FB is more attractive than working in a non-FB for **today's young generations**?

6. Transversal factors

-Do you think the fact of being **located in this territory conditions** the continuity of business family projects? (e.g., business fabric of the territory, business size of the territory…etc.)

-Do you think that having experienced **disruptive events** in the territory can condition the embeddedness of the EFs? (e.g., terrorism, economic crises, natural disasters…etc.)

7. Additional factors

Would you like to add any other factor that was not mentioned during the interview and that you consider relevant for the embeddedness of EFs in the territory?

7.7 Appendix B.2.2. Semi-structured interviews guides with Local Experts (French version)

Guide d'interview sur l'ancrage territoriale

Petite introduction :

Je m'appelle Paula Martínez-Sanchis et je fais mon doctorat a Deusto Business School (Saint-Sébastien, Espagne). Le sujet de mon doctorat est l'ancrage des Entreprises Familiales (EFs) au territoire, et plus spécifiquement comment réussir à qu'elles ne quittent pas le territoire.

Au Pays Basque, j'ai déjà fait des entretiens avec 20 EFs et 5 professionnels qui accompagnant des EFs. Mes résultats provisionnels montrent 16 éléments/facteurs qui sont très importants pour faire que les entreprises ne quittent pas le territoire. Actuellement, je voudrais faire un contraste de ces facteurs avec une étude comparative au niveau international (en France, Écosse et Allemagne). Pour cette raison, en ce qui suit je vous poserai des demandes qui concernent ces facteurs :

1. Questions générales

-**Âge** (interviewé)

-**Rapport/type d'accompagnement avec les EFs**

Est-ce que votre organisation prend-elle des actions particulières pour les EFs ? De quel type de besoins financières elles ont plus besoin ? (Ex. Préparation plan de transmission)

2. Ancrage territorial-cultural

-La CIC **promeut l'entrepreneuriat** et met en place des outils pour attirer les entreprises ? (Ex. financiers, réseaux d'entrepreneurs,…)

-Les EFs du Pays de la Loire ont une **culture ouverte et transparente** avec ses employés ? (Ex. Participer du projet familial, et pas seulement les voir comment salariés)

-Les EFs du Pays de la Loire sont-elles **professionnalisées** ? (Ex. Études ou expérience professionnelle à l'extérieur de l'EF)

-Les EFs normalement préparent un **plan de transmission de l'entreprise** (charte familiale, plan de succession, transmission du capital…etc.)

-Les EFs privilégient des **moments informels** en famille au-delà du travail pour favoriser la communication entre les différentes générations ?

3. Ancrage territorial-politique

-Est-ce qu'il y a une **politique publique (sur les thématiques financières) au territoire lié aux EFs** ? (Ex. existe des politiques publiques qui favorisent ou non la transmission capitalistique de l'entreprise familiale)

-Est-ce que vous pensez que **la perception des EFs sur la politique publique** est-elle différente a la politique publique réel (qui existe) ?

-Est-ce que vous pensez que **le pouvoir des organisations syndicales (salaries) et patronale** du territoire a un effet significatif sur la performance des EFs ?

-Est-ce qu'il y a des conditions territoriales qui favorisent **l'attrait et la rétention des talents** ? Est-ce qu'il y a des **difficultés à recruter ou fidéliser les talents** du territoire ?

4. Ancrage territorial-structurel

-Est-ce qu'il y a dans le territoire des **networks institutionnels** qui donnent accès à des ressources stratégiques ?

-Est-ce que les EFs ont la possibilité d'avoir des **rapports avec des acteurs clés au territoire** ? (Ex. Salon des entrepreneurs, Salon Grand Ouest entretiens…)

-Est-ce qu'il existe une vraie **coopération** avec les entreprises de la zone ?

5. Ancrage territorial-cognitive

-Est-ce que votre organisation aide-elle à incrémenter **la notoriété des EFs** ? Est-ce que vous pensez que pour favoriser l'ancrage des EFs c'est important **d'augmenter la reconnaissance sociale** d'elles ?

-Est-ce que vous pensez que le EFs ont **des problèmes à retenir et attraire des nouvelles générations** ?

6. Facteurs transversaux

-Le fait d'habiter sur ce territoire conditionne sa durabilité sur le territoire ? (Ex. Le tissu entrepreneurial du territoire)

-Avoir expérimenté des évènements de rupture/extrêmes dans le territoire (crise économique, inondation, attentat…)

7. Facteurs additionnels

Selon vous, existe-t-il un autre facteur que nous n'avons pas évoqué ensemble et qui permet de favoriser l'ancrage territorial des EF ?

7.8 Appendix C.1. Informed consent form (English version)

INFORMED CONSENT FORM MODEL FOR RECORDING INTERVIEWS

This document gathers your consent for the use of the recorded information from the interview performed in the date of the document. Please, read it carefully and discuss with the interviewer all the potential questions you may have.

1. INFORMATION REGARDING THE RECORDING OF THE INTERVIEWS

Deusto Business School (University of Deusto) together with the Family Business Association (AEFAME) are developing a study regarding the impact of the territory in the embeddedness of business families that requires the performance of interviews. In this context, it is required the permission for the recording of the testimonies of the different interviewees and the use of such information with academic purposes.

2. USE AND CONFIDENTIALITY OF THE DATA

The data obtained from your participation will only be used with academic purposes by the researching group that develops its work in Deusto Business School, always keeping your personal data in a safe place so no person from outside of this investigation can access the information and, accordingly, with a strict compliance of the Organic Law 15/1999 regarding the Personal Data Protection.
Under no circumstances they will be made publicly available, always guaranteeing the confidentiality of the data and a rigorous compliance of the professional secret in the use and management of the obtained information and material. The testimonies will be presented in an anonymised way.

3. CANCELLATION OF THE CONSENT

If, in the case of participating and consenting an initial collaboration, at any moment of the interview you wish to leave the recording of the session, please communicate it to us and from that moment recordings will no longer be used with training and professional development purposes.

4. DECLARATION OF THE CONSENT

I, Sir/Madam. ……………………………………………………………….. have read the informed consent form that was given to me, and I have understood the explications given there regarding the recording of the interview and I have been able of solving all the questions and doubts regarding the recording. I also understand that, in whichever moment and without necessity of giving an explanation, I can cancel the consent that I give now. I have also been informed that my personal data will be protected and will be used only with academic purposes that relate to Deusto Business School.

Taking all this into consideration and in such conditions, I CONSENT to participate in the recording of the interview and that the data that will arise from my participation will be used for covering the objectives specified in the document.

In ……………………….., the …... of ……………….. of 20XX

Signed:

Sir/Madam ______________________________

7.9 Appendix C.2. Informed consent form (Spanish version)

MODELO DE CONSENTIMIENTO INFORMADO PARA LA GRABACIÓN DE LAS ENTREVISTAS

Este documento recoge su consentimiento para el uso de la información grabada derivada de la entrevista realizada en la fecha del documento. Por favor, léalo atentamente y consulte con la entrevistadora todas las dudas que se le planteen.

1. INFORMACIÓN ACERCA DE LA GRABACIÓN DE LAS ENTREVISTAS

La Deusto Business School (Universidad de Deusto) junto con la Asociación de la Empresa Familiar (AEFAME) están desarrollando un estudio sobre el impacto del territorio en el enraizamiento de las empresas familiares que requiere de la realización de entrevistas con distintos agentes. En este contexto, se solicita el permiso para grabar los testimonios de las personas entrevistadas y el uso con fines académicos de dicha información.

2. USO Y CONFIDENCIALIDAD DE LOS DATOS

Los datos que se obtengan de su participación serán utilizados únicamente con fines académicos por parte del equipo investigador que desempeña su labor en la Deusto Business School, guardándose siempre sus datos personales en un lugar seguro de tal manera que ninguna persona ajena pueda acceder a esta información y atendiendo a un estricto cumplimiento de la Ley Orgánica 15/1999 sobre la Protección de Datos de Carácter Personal.

En ningún caso se harán públicos sus datos personales, siempre garantizando la plena confidencialidad de los datos y el riguroso cumplimiento del secreto profesional en el uso y manejo de la información y el material obtenidos. Los testimonios se presentarán de forma anonimizada.

3. REVOCACIÓN DEL CONSENTIMIENTO

Si, en el caso de decidir participar y consentir la colaboración inicialmente, en algún momento de la intervención usted desea dejar de participar en la grabación de las sesiones, le rogamos que nos lo comunique y a partir de ese momento se dejarán de utilizar las grabaciones con fines de formación y desarrollo profesional.

4. DECLARACIÓN DE CONSENTIMIENTO

Yo, Don/Dña. ……………………………………………………………….. he leído el documento de consentimiento informado que me ha sido entregado, he comprendido las explicaciones en él facilitadas acerca de la grabación de las entrevistas y he podido resolver todas las dudas y preguntas que he planteado al respecto. También comprendo que, en cualquier momento y sin necesidad de dar ninguna explicación, puedo revocar el consentimiento que ahora presento. También he sido informado/a de que mis datos personales serán protegidos y serán utilizados únicamente con fines académicos propios de la Deusto Business School.

Tomando todo ello en consideración y en tales condiciones, CONSIENTO participar en la grabación de la entrevista y que los datos que se deriven de mi participación sean utilizados para cubrir los objetivos especificados en el documento.

En ……………………….., a …... de ……………….. de 20XX

Firmado:

Don/Dña. ______________________________

7.10 Appendix D. Glossary of definitions

7.10.1 FAMILY BUSINESS

Family Business: a business governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families (Chua et al., 1999, p. 25).

Family Firm: one in which multiple members of the same family are involved as major owners or managers, either contemporaneously or over time (Miller et al., 2007, p. 836).

Business family: a family whose development is shaped by a company owned by one or more family members and in which a handing-over of entrepreneurial ownership to the next generation is envisaged (Witten Institute for Family Business, 2020).

Serial business family: it is the family who has sold its original business and, at a later stage, went back into business together by re-creating an operating family business (Kenyon-Rouvinez, 2001, p. 176).

Business-owning families: two or more family members who own a firm together (Berent-Braun & Uhlaner, 2012, p. 104).

Family-controlled business: a public or private company in which a family (or related families) controls the largest block of shares or votes, has one or more of its members in key management positions, and members of more than one generation are actively involved within the business (Salvato & Melin, 2008, p. 261).

Familiness: the bundle of idiosyncratic internal resources that exist due to the involvement of the family in the firm (Zellweger et al., 2010, p. 54).

Family sustainability: the outcome of multiple years of viability and should be evaluated multidimensionally (Gudmunson & Danes, 2013, p. 400).

Responsible family ownership: the combination of “an active and long-term commitment to the family, the business and the community, and balancing these commitments with each other” (Lambrecht & Uhlaner, 2005, p. 8).

Socioemotional wealth: the non-financial aspects of the firm that meet the family’s affective needs, such as identity, the ability to exercise family influence, and the perpetuation of the family dynasty (Gómez-Mejía et al., 2007, p. 106).

German Mittelstand: a German company that is generally small-to-medium in size, is controlled and owned by one family, is a global market player, and identifies itself as a Mittelstand firm (De Massis et al., 2018, p. 127).

7.10.2 ENTREPRENEURSHIP

Entrepreneurship: the pursuit of increasing the value of a business’s assets by seeking out and/or creating new business opportunities (Uhlaner et al., 2012, p. 2).

Entrepreneurial Orientation: a firm’s strategic orientation and its decision-making styles (Stenholm et al., 2016, p. 698).

Transgenerational entrepreneurship: the processes through which a family uses and develops entrepreneurial mindsets and family influenced resources and capabilities to create new streams of entrepreneurial, financial and social value across generations” (Habbershon et al., 2010, p. 1).

Entrepreneurial legacy: the family’s rhetorical reconstruction of past entrepreneurial achievements or resilience (Jaskiewicz et al., 2015, p. 29).

Entrepreneurial Family: a phenomenon where several members of a family create and develop one or more business enterprises over time (A. James et al., 2020).

Entrepreneuring/enterprising family: families that run one or more businesses, and that have an intent to grow these businesses with the family as the foundation (Nordqvist & Melin, 2010, p. 221).

Entrepreneurial Family Business: the family business as a type of organization, or organizational context, with certain characteristics that can facilitate or constrain entrepreneurial activities, processes and outcomes. (Nordqvist & Melin, 2010, p. 214).

7.10.3 INTRA-FAMILY SUCCESSION

Succession: the actions and events that lead to the transition of leadership from one family member to another in family firms. The two family members may be part of the nuclear or extended family, and may not belong to the same generation (Sharma et al., 2001, p. 21).

Successful succession: the subsequent positive performance of the firm and ultimate viability of the Business (Breton-Miller et al., 2004, p. 306).

Pygmalion Effect: the finding that leader expectations for subordinate performance can subconsciously affect leader behaviour and subordinate performance" (White & Locke, 2000, pp. 389–390).

Intention: ‘‘represent a person's motivation in the sense of her/his conscious plan or decision to exert effort to enact the behavior'' (Conner & Armitage, 1998, p. 1430).

Attitude: ‘‘is a disposition to respond favorably or unfavorably to an object, person, institution, or event'' (Ajzen, 1988).

7.10.4 EMBEDDEDNESS

Embeddedness: the way social and economic activities are mixed up with networks of social relations (Granovetter, 1985; Cited in Krippner et al., 2004, p. 113).

Territorial embeddedness: the enmeshing of economic and cultural relationships within broad territorially placed social and institutional structures that facilitate social relations (Pallares-Barbera et al., 2004, p. 637).

Local embeddedness: the involvement of economic actors in a geographically bound social structure (Baù et al., 2019, p. 360).

Family embeddedness: the collection of factors that influence family dynamics of Migrant Women Entrepreneurs, reinforcing the interdependent and dynamic relationship between family and business (Azmat & Fujimoto, 2016, p. 631).

7.10.5 THEORIES

Family science theory: it is an interdisciplinary, applied field of study in which scholarship focuses on the discovery of knowledge related to family processes, family relationships, family well-being, and the nature of family life in social, political, and economic contexts (James et al., 2012, p. 88).

Institutional theory: It is concerned to how firms embedded in contexts influenced by multiple institutional logics; whether based on religion, markets, the state, family or otherwise, can effectively navigate their pluralistic environments (Soleimanof et al., 2018, p. 33).

7.10.6 ADDITIONAL CONCEPTS

Context: it is what is beyond the phenomenon itself, and the demarcation between them is composed of both a physical and cognitive aspects (James et al., 2020).

Territory: where the accumulation of economic actions and common values takes place (Pallares-Barbera et al., 2004, p. 638).

7.10.7 QUALITATIVE RESEARCH

Interview: local interactional accomplishments where what takes place is highly dependent on how the interviewer situates the task, and how interviewees position themselves with respect to the audience they believe they are addressing (Langley & Meziani, 2020, p. 371).

Case study: it is a particular strategy for qualitative empirical research that allows an in-depth investigation of a contemporary phenomenon within its real-life context (De Massis & Kotlar, 2014, p. 16).

Case study protocol: it is the substantive guide for collecting the data for a case study, highlighted by a set of field questions to be addressed by the researcher and thereby representing the researcher's mental agenda (Yin, 1984, p. 288).

Database: it is the systematic archive of all the data (field notes, documents, archival records,…etc.) from a case study, assembled to enable the later retrieval of specific pieces of evidence, if needed, and sufficiently organized so that the entire archive can be reviewed by an outside reader, if desired (Yin, 1984, p. 286).

Chain of evidence: the links showing how a case study's findings came from the collected data and in turn from the guidelines in the case study protocol and from the original research questions; the stronger the links, the greater the reliability of the findings (Yin, 1984, p. 286).

Secondary data: the information used in research that has already been collected for another purpose, rather than directly by the research itself – these are internal or external data and can come from paper-based sources or electronic ones (Claver-Cortés et al., 2015, p. 202).

Internal validity: it is the strength of the causal or other “how” and “why” inferences made in a case study, in part bolstered by showing the absence of spurious relationships and the rejection of rival hypotheses (Yin, 1984, p. 287).

External validity: it is the extent to which the findings from a case study can be analytically generalized to other situations that were not part of the original study (Yin, 1984, p. 287).

Content validity: it involves a panel of experts who view the instrument and give their approval, often in a few rounds of exchanging opinions and views (Boeije, 2010, p. 170).

Reliability: it is the consistency and repeatability of producing a case study’s findings (Yin, 1984, p. 286).

Analytical generalization: it is the logic whereby case study findings can apply to situations beyond the original case study, based on the relevance of similar theoretical concepts or principles (Yin, 1984, p. 286).

Disfluencies: they are self-interruptions between and within words, repetitions, replacing words, restarts and the use of “fillers” such as *uhm* and *er* (Collins et al., 2019, p. 12).

Pattern matching: comparing or matching the pattern based on the collected data with a pattern defined prior to data collection; stronger analyses would have sufficient data to entertain and test plausible rival matches (Yin, 1984, p. 287).

Triangulation: it is about determining the convergence of the data collected from different sources of evidence, to assess the strength of a case study finding and also to boost the construct validity of measures used in the case study (Yin, 1984, p. 288).

Member validation: presenting the findings to participants and asking them whether they recognize the findings and judge them as correct can be considered a procedure to verify the research (Boeije, 2010, p. 177).