Annotated Bibliography

Robert Forto

School of Business, Liberty University

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Dr. Kevin Bell

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Authors Note

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Abstract

Strategic management in family-run firms is a relatively new topic in the research literature. This topic is of importance as it relates to both the scholarly Christian literature and contemporary organizational management. A literature review was conducted to develop synthesis and critique the article's contribution to the organizational management body of knowledge. From a Christian perspective, the role of religious values between family and religious identity in promoting strategic renewal in privately held family firms was critiqued along with a faith-based approach toward management and how faith-led practices in family firms affect organizational stewardship. On a secular level, risk management, multi-generational family business, relationships, and social capital were critiqued as they pertain to family-run firms' strategic management principles. These studies provide a clearer understanding of what is available in the literature and provide several avenues of further research related to this topic.

Keywords: strategic management, family-run businesses, Christian family business, risk management, social capital, family business innovation

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Introduction

The topic of strategic management as it relates to family-run businesses is of great interest to this author. A comprehensive review of current and credible Christian and contemporary literature was examined to find a synthesis regarding a relatively new topic in the research literature. Seven journal articles were read and analyzed for this paper's purpose, and an annotated critique was developed to examine the quality and reasoning behind each article. This author attempted to find the articles' strengths and weaknesses and determine if the authors were objective or biased in their reporting. The articles were also examined for logical and analytical writing and cohesive style, among other factors discussed herein. It is interesting to find such myriad examples in the current literature about how scholars attempt to answer questions to a topic that was not well researched up to this point.

Annotated Bibliographies

Astrachan, J. H., Binz, A. C., Giovanna, C., & Baù Massimo. (2020). Values, spirituality and religion: Family business and the roots of sustainable ethical behavior: JBE. *Journal of Business Ethics, 163*(4), 637-645. doi:http://dx.doi.org.ezproxy.liberty.edu/10.1007/s10551-019-04392-5

The purpose of this study was to examine the role of religious values between family and professional logics. The method examined ten papers that investigated the relationship between religion or spirituality and a family firm’s ethical behavior in various contexts using a multitude of qualitative and quantitative methodologies. The paper presents a view that allows researchers to think about where family firms' values originate and how they reinforce the family and the business's identity.

This article was a good starting point to integrate a faith-based approach into strategic management in a family business. This was the first article read by this author for this paper. The paper was logical and easy to read. The title was properly formulated and is clear and appropriate regarding the search criteria in the database. The authors provided a clear abstract that reflects on the main ideas of the article. The discussion corresponds to the main idea of integrating a faith-based approach to the management of a family-run business. The authors remained neutral in their recommendations and examination of the literature. There are examples for further research. One is ethics-based, and a faith-based study is identified as a reference point used by families in making decisions. Another suggestion for further research is what the authors describe as the ‘the business system.’ They propose research to be conducted to include business strategy development and implementation, risk-taking propensity, and stakeholder relationships. The authors provided a thorough review of the ten articles of interest, and their findings and suggestions for further research and study support their purpose.

Angela, C., Ricardo, Z., & Discua, C. A. (2020). Exploring a faith-led open-systems perspective of stewardship in family businesses: JBE. *Journal of Business Ethics, 163*(4), 701-714.

The purpose of this study was to examine how faith-led practices in family firms affect organizational stewardship. The method examined and analyzed six autobiographies of family business leaders who openly expressed their adherence to faith. The key findings suggest that the influence of religious beliefs in a family-run business's organizational practices has more significant repercussions than previously thought. The authors suggest that a faith-led approach to stewardship will enrich theoretical discussion around religion's relevance in the family business.

Although an unusual form of research design, the methodology used for this study was to capture in-depth primary, personal data illustrating the diverse relationship between spirituality and organizational behavior of a family firm. The authors argue that their sampling size of just six autobiographies was purposeful and intrinsically linked to their research question. A critique of this method is that it is of small size and places limitations on their findings as autobiographies may be intentionally or unintentionally written with a plan in mind. The authors are objective in their data analysis and used a framework adapted from other researchers to generate insights from the family business narratives. What is interesting is that the authors first read and re-read the autobiographies over several months. Then they interwove the reading of the autobiographies with the other spiritual and family business literature. The authors then explored what they call a “so what” question and then moved between theory and data to guide their analytical work.

The paper was logical and easy to follow. The author’s conclusion supports that faith-based practices in family firms do affect organizational stewardship. Their study reveals that faith-led family firms originate from the leader/founder’s relationship with God. Their research is timely and novel, and the authors call for more spiritual-related work within family businesses. A critique would be for further studies of autobiographies with a larger sample size that may provide a more nuanced understanding of this paper's research question.

Abdelgawad, S. G., & Zahra, S. A. (2020). Family firms' religious identity and strategic renewal: JBE. *Journal of Business Ethics, 163*(4), 775-787. doi:http://dx.doi.org.ezproxy.liberty.edu/10.1007/s10551-019-04385-4

The purpose of this paper was to examine the role of religious identity in promoting strategic renewal in privately held family firms. The method was an examination of literature as it relates to the values of the founders of family-run firms and their religious beliefs that lead them to shape their firm's identity and how the firm operates. The authors argue that religion's role has influenced the family-run business's economic activity, but little research has been conducted on this topic. The authors postulate that examining the role of religion in defining a firm's identity demonstrates the crucial implications of such identification for strategic renewal efforts. Furthermore, the author's findings underscore the contributions that privately held family firms' religious identity creates spiritual capital that can be a double-edged sword when initiating strategic renewal, specifically as it relates to conflict resolution and allocation decisions. The authors acknowledge that a limitation of the research is that they focused on strategic renewal and ignored firm performance. The authors offer further study suggestions in the areas described as spiritual capital and religion and family firm heterogeneity.

While the paper presents a logical interpretation of the topic, it was quickly discovered that there is a biased approach to answering the research question to determine if a firm's religious identity relates to strategic positioning and renewal. This paper was chosen to examine a biblical approach toward strategic management. While it fulfills that, it is presented to suggest that it is replete with confirmation bias. The authors tend to look for information in the literature that supports their argument rather than rejects it. This could be a conflict as it relates to using this paper in further research. This article was found using an advanced search of a database using the terms religious approach to strategic management in a family business. This author recognizes that the search provided a selective article based on those keywords. The paper is rather narrowly focused on the topic related to this author's review of the literature.

Daspit, J. J., Chrisman, J. J., Sharma, P., Pearson, A. W., & Long, R. G. (2017). A strategic management perspective of the family firm: Past trends, new insights, and future directions: JMI. *Journal of Managerial Issues, 29*(1), 6-29,4. Retrieved from http://ezproxy.liberty.edu/login?qurl=https%3A%2F%2Fwww.proquest.com%2Fdocview%2F1927469098%3Faccountid%3D12085

This paper aimed to advance the knowledge about strategic and behavioral issues and processes of a family firm. The method used for this particular issue was obtained from an open call for papers from other scholars. Using a multi-round, double-blind peer review process, three papers were selected for inclusion in this paper. Each article included an examination of the strategic management process, and in two of the studies, a relationship component was explored. Specifically, the authors of this paper analyzed the articles to examine: 1. Strategic implementation of the knowledge and effects on noneconomic outcomes, 2. Strategic formulation issues related to succession in a family-run firm, and 3. Effects of noneconomic goals on economic outcomes. The author's findings suggest that strategic management processes aim to enhance competitive advantage and improve a family firm's performance. The authors provide areas for further research significantly on how dynamic capabilities affect economic outcomes in family firms.

The paper is written logically. The authors appear to be neutral in the approach. They review the current literature to understand better how past trends and new insights can be used to develop a strategic management protocol for family-run firms. The paper's strengths are that it is timely and relevant in today's growing family-owned business environment. Its weakness is that it does not provide any new research to the topic, but rather a review and synthesis of the current literature on strategic management in a family-run firm and pays close attention to this management component's economic aspects. The author's main argument that strategic management developments within the field provide family businesses with opportunities to grow. This argument was supported in the evidence. This argument was confirmed in their findings and their conclusion and provided researchers with opportunities to continue to study a relatively new topic; family business.

Sanchez-Famoso, V., Maseda, A., & Iturralde, T. (2017). Family involvement in top management team: Impact on relationships between internal social capital and innovation. *Journal of Management and Organization, 23*(1), 136-162. doi:http://dx.doi.org.ezproxy.liberty.edu/10.1017/jmo.2016.2

The purpose of this paper was to explore the relationship between social capital and the strengths of the relationship among family members and non-family members as they pertain to top management in family-run firms. The methodology used for this study was a qualitative design using data from 344 questionnaires of managers in 172 Spanish firms. The sample was developed to represent the Spanish economy as it relates to medium-sized firms. The authors aimed to contribute to how social capital is used to determine innovation in family firms and formed two research questions to analyze. The two questions were: 1. Is the relationship between family social capital and innovation strengthened or weakened by family involvement, and 2. Is the relationship between non-family social capital innovation strengthened or weakened by family involvement. The study's findings make several contributions to the literature. First, family firms' innovation cannot be fully understood without accounting for the family's participation in management. Two, not all family firms have the same behaviors and achieve the same results. Third, family firms surpass non-family firms on innovation when non-family managers are present.

This research has important implications not only to this author as he studies strategic management in a family-run business but also for other family managers because it can help them better understand a firm's innovation potential. The authors offer several directions for further research, including comparing the findings in this study with results obtained in other more individualized settings and other factors that may spur innovation. The study did have its limitations as well. One, since this was a sectional nature study, focusing on social capital, the findings cannot be generalized across all family business populations. Two, the authors argue that it would be more beneficial to study the effects over time.

This paper was written in a logical order and is well organized though highly technical in its reading. The authors appeared to have a neutral stance in their research and discussion, emphasizing the data collected through in-depth questionnaires. The paper's strength is that the authors used a relatively large sample in their data collection, and their data supported their arguments and their research questions. Their methodology is appropriate and appropriately discussed. The author's core assumption is that social capital spurs innovation in family-run firms, at least in a Spanish economy, and the evidence supports that. The article also supports the earlier finding of differences between the two countries' samples presented in the results and discussion sections. This paper is timely and relevant to this author's literature review on strategic management in family-run businesses. It is a good representation of the current research on this topic.

Sreih, J. F., Lussier, R. N., & Sonfield, M. C. (2019). Differences in management styles, levels of profitability, and performance across generations, and the development of the family business success model. *Journal of Organizational Change Management, 32*(1), 32-50. doi:http://dx.doi.org.ezproxy.liberty.edu/10.1108/JOCM-01-2018-0030

The purpose of this paper was to investigate the differences between generations in the family business and to develop what the authors define as the family business success model used to improve the probability of success that can be measured by profits, growth, and meeting expectations. The qualitative methodology was used where data was collected through 98 questionnaires, along with personal interviews. The findings showed that family businesses that use conflict management effectively develop strategic plans and use sophisticated financial management methods to increase the probability of meeting the company's organizational objectives.

This paper is timely and relevant in the review of the literature for this author’s paper. It is also convenient in the area of research on strategic management in the family-run business. The paper is written logically with an abstract that reflects the main ideas of the article. The authors are neutral and provide discussion that is logical and clear. The authors define the Family Business Success Model. The study adds to the limited empirical studies and contributes to the current literature body of knowledge. This article offers significant implications in societal academia, mainly how academics can teach the generational differences in a family business.

The paper provides limitations and recommendations for further research. In particular, in the area of a larger sample size that includes more first and third-generation family firms. The authors also suggest that the Family Business Success Model, while subjective, has its limitations as only having eight independent variables. The authors suggest that further research could be conducted to determine if a family firm's actual profits correlate with the business's growth and perception. Lastly, this article provided a wealth of information for this author to further develop a research topic as he moves forward. The subject of strategic management in a family business is of great interest to him, and this study is a stepping off point to explore moving forward.

Visser, T., & van Scheers, L. (2018). Can family business managers manage family business risk? *Management: Journal of Contemporary Management Issues, 23*(1), 123-137. doi:http://dx.doi.org.ezproxy.liberty.edu/10.30924/mjcmi/2018.23.1.123

The purpose of the paper was to investigate risk management in the family business. The authors propose that risk management poses challenges to a family's business's survival as family members do not take action on risk. The authors' method was of conceptual design and undertook secondary research to investigate risk management in the family business. The authors examined articles, reports, and family-business related books and categorized them into several categories: family business, strategy, risk management, performance, risk planning, and family wealth. The author's findings suggest that family business managers should have a historical perspective on finance to assist in the business's risk areas. The authors also found that risk management skills enable family business owners to address known and unknown risks. Having the ability to manage risk effectively will allow the family business to perform well and maintain growth.

The article's strengths are that it provided this author with additional research studies to further develop a comprehensive literature review of his topic. The primary weakness is that this was just a conceptual research report without any new or novel information. This paper was of conceptual design. Its methodology is conducted by observing and analyzing already present information on risk management in a family-run business. Although timely, this paper relies heavily on previously conducted studies. While convenient, it is more of just sorting of already published literature.

In contrast, the paper was written in a clear and logical format, with a properly formatted and appropriate title. The paper was found using an advanced search using the terms strategic management and family business. While the abstract reflects the main aspects of the paper, after reading the entire document, it was found that the authors are biased in their reporting, especially in the discussion of the results section of the paper. While the authors did provide substantial commentary regarding the topic of risk in the family business, particularly in their examination of risk types, strategies, and aversions, they did not provide avenues for further research.

Conclusion

Strategic management in family-run businesses is a new and timely research topic and of great interest to this author. (Sreih et al.,2019) A literature review was conducted to discover and evaluate the most current and credible sources as they relate to scholarly Christian literature and contemporary organizational management. For this literature review, seven journal articles were reviewed, and synthesis was developed among them. From a Christian perspective, the work of Astrachan et al. (2020) examined the role of religious values between family and professional logics. The research of Angela et al. (2020) studied the role of religious identity in promoting strategic renewal in privately held family firms. Furthermore, the research of Abdelgawad et al. (2020) scrutinized the role of religious identity in promoting strategic renewal in privately held family firms.

Moreover, from a secular perspective, Visser et al. (2018) 's work reconnoitered risk management in family-run businesses. In contrast, Sreih et al. (2019) investigated the differences between generations in the family business to help improve the probability of success measured by profits, growth, and meeting expectations. Sanchez-Famoso et al. (2017) took this a step further. They examined the relationship between social capital and the strengths of the relationship among family members and non-family members pertaining to top management in family-run firms. Lastly, Daspit et al. (2017) studied family firms' strategic management perspectives as they relate to past trends, new insights, and future directions.

Bringing all of this research together allows this author to better understand the literature related to strategic management in family-run businesses. Having this understanding will enable him to move forward into diving deeper into a timely and relevant research topic. This new insight is exciting as it provides a better understanding of what research opportunities are available moving forward.