

New Insights for Family Business Leadership

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Miller (2014) maintains that the multigenerational survival rate for the family business is not good. The research shows that the lack of shared vision for the family and the lack of next-generation leadership are often cited as two of the leading reasons for failure of family firms to successfully transition from one generation of family ownership to the next (Cabrera-Suárez, García-Almeida, & De Saá-Pérez, 2018). This lack of clarity and the need for new insights to better understand the complexities of family business leadership and what can be done to ensure the success of his own firm. This author has used his family business as a case study throughout his work in this doctorate and hopes to increase his knowledge and perspective on family business leadership.

Miller (2014) also maintains that there is a lack of rigorous quantitative research exploring family business relationships. Even though he made that realization more than eight years ago in his research study, the struggle is still accurate today. A search of the relevant leadership literature confirms that. Despite the considerable development of research in business leadership and family business, a comprehensive review and integration are still lacking (Madanchian et al., 2017; Fries et al., 2021). The remainder of this paper explores current and new trends at the intersection of family business leadership and transgenerational succession. Particular attention is paid to follower performance, motivation, strategic performance, and how a robust value system (Astrachan et al., 2020) should lead to savvy Christian leaders instructing to make disciplined learners and servant-centric leadership decisions as the company continues to innovate and evolve.

Leading Effectively

Essentially, leadership denotes continuously motivating and encouraging your people and acting as a reference model for behavior and performance, demonstrating the ability to adapt the course of the organization concerning an external environment that changes continuously (Para-González et al., 2018). Furthermore, leaders must take their organizations into the future by implementing strategies that lead them toward more favorable outcomes (Manzoor et al., 2019). Additionally, among the different types of leadership that exist, transformational leadership strives to align the values and goals of employees with those of the organization by influencing or altering their values, beliefs, and attitudes through internalization or identification (Manzoor et al., 2019). This author's research pays particular attention to the transgenerational succession in family firms and how today's leaders can continue to innovate and use new insights to accomplish a challenging prospect for this type of organization.

This author believes the future success of his business is the ability to develop a successful transition plan that includes the prospect of introducing formal structures necessary for the family business to continue. As daunting as this process appears, these are essential steps that reflect the growth and maturity of the business. Additionally, to plan for the future of the business, the company needs to contemplate a succession strategy so that a legacy can be left moving on. This is in line with the challenges outlined in Miller (2014) as well as Cabrera-Suárez et al. (2018) and others listed herein.

Miller (2014) suggests that shared vision, mutual reliance on servant-based leadership, and strong motivation norms contribute to the success of transgenerational business successions in family firms. Of course, succession means different things to many other people. It can be as simple as a family member taking over or as complex as overhauling the structure and leadership

of the business to align with the long-term objectives (Campopiano et al., 2020). For this author, the goal is to gain a better understanding of succession planning and to understand the complex processes of preserving the firm's value and future growth potential so that leadership can pass it forward intact (Cabrera-Suárez, García-Almeida, & De Saá-Pérez, 2018). An old saying is that effective leadership is only as good as its followers. A leader's motivation will increase the firm's performance and the reliance on strong followership.

Follower Performance

By its very design, a family business is intended to equip leaders with adherent followers. Followers in a family business follow a leader because of their loyalty, strong family values (Astrachan et al., 2020), identification with the leader's cause or shared vision (Miller, 2014), and sometimes because of all of those things. However, followers must be compelled to file behind any leader for the long-term or complex missions. Since many family businesses are focused on the long term, the family business leader must be personally compelling, not just good at making plans or managing activities.

Following biblical principles outlined in (Astrachan et al., 2020) and (Smith, 2020), many family-run businesses can be seen as servant leaders or even followers. These leaders typically have strong ideals and principles regarding how the organization should be run and how their followers should behave. It should be noted that family members who grew up in the family company and know it will often become focused on its operating effectiveness. However, too much focus here generally means they give too little attention to the leadership and governance needs of the organization and should devote more attention to the strategic management and development of the firm instead (Miller, 2014).

Motivation

As noted in Para- González et al. (2018) and Manzoor et al. (2019), an effective leader knows how to motivate people and influence family members in the firms to work more innovative and more complex. This leads to meeting or exceeding organizational milestones and goals. When family business leaders keep the team motivated, they can secure the entire business's success. This author is interested in transgenerational succession and the transfer of leadership to his daughter to one day take over the company. According to the literature, myriad barriers exist to a daughter's career in the family business (Akhmedova et al., 2020). Applying theoretical concepts will allow this author to examine how these barriers can be overcome.

The anthropological theory is an organizational theory that integrates anthropological conception underlying the ethics of Aristotle and Thomas Aquinas to build a base of decision-making in the organization. (Akhmedova et al., 2020). The theory's basic assumption is that three types of motivation underlie human decision-making and, consequently, human action. While the conception of extrinsic and intrinsic motivation generally coincides with that of other motivational theories, ethical motivation is a somewhat different one, conceptually close to (1) prosocial motivation, (2) integrated regulation within the self-determination theory, and (3) pro-stakeholder motivation (Akhmedova et al., 2020). According to the anthropological theory of motivation, ethics does not consist of a set of rules that must be met but instead of developing a moral quality of a decision-maker, which takes place when she acts in the best interest of others (Akhmedova et al., 2020).

While family business scholars tend not to label different types of motivation explicitly, many examples implicitly demonstrate that psychological processes are related to career outcomes and, in some cases, are responsible for gender disparity in high-level management

positions in the family business (Akhmedova et al., 2020). Depending on how different types of motivation are combined with other factors, the following career scenarios for daughters can be outlined. This theoretical modality will allow this author to gain new insights into transgenerational succession and the daughter's role in the family firm as he moves forward with his doctorate project.

Strategic Leadership and Organizational Performance

Besides developing, supporting, and participating in the governance system, leaders need to lead people, which is different from managing their work (De Massis & Foss, 2018). Leading is fundamentally about identifying where the group needs to go strategizing how to get there and getting people to change (De Massis & Foss, 2018). This is done by inspiring, persuading, and motivating people to work together to reach significant goals and by building coalitions to support needed change. This support relies on a strategic leadership model and organized development of the firm.

Further, successful execution follows once a strategy is defined (Chua et al., 2016). Thus, there can be an understanding of micro-level conditions leading family firm actors and decision-makers to execute the firm strategy. For instance, a significant area for future research concerns how the characteristics of family firm actors, the structures they are embedded in, and the interactions among them influence the set of tasks required to implement the firm's strategy. The processes by which family firms delegate and sequence actions in executing such strategy, and the formal mechanisms for information-based controls that are needed for strategy execution, like accountabilities and deliverables, are also lacking in the current research (De Massis & Foss, 2018). This is exciting as it relates to this author's research project endeavors because it allows

for theories and leadership principles to merge to improve communication, motivation, and shared values as a firm develops strategic coalitions to move the organization forward.

Biblical Integration

Strategic management in family-run businesses is a relatively 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 related to scholarly Christian literature and contemporary organizational management. Positive organizational change and methodology facilitate meaningful, lasting, and effective teams. Kotter (2012) argues that successful transformation is based on instilling a vision that shows support from all of those involved in the team. This supports the work of Miller (2014) as well. From a biblical perspective, this servant-first philosophy can be seen in scripture. Jeremiah 29:11 extols, "for I know the plans I have for you, declares the Lord, plans to prosper you and not harm you, plans to give you hope and a future" (*New International Version*, 1978, Jeremiah 29:11). According to this verse, Christians can take solace because God has promised to be there for them. This is a crucial parable to remember when an organization wants to improve its teams in the workplace through servant and spiritual leadership. Jones (2019) also suggests techniques and guidelines that the servant leader might apply in the workplace to help managers love what is right rather than be selfish. This message can be found in scripture in Titus 1:7 (NIV) as it describes Titus, an epistle of Paul who directs him to become a church leader. In short, because Christians seek to align themselves with solid doctrine and be zealous of good actions, these servant leadership principles can be used in teams that Christians empower. (*New International Version*, 1978, Titus 2:6-15).

Conclusion

This author has concentrated on the family business research for more than two years as he works through his doctorate program. Not only is he a graduate student, but he has first-hand experience with the tolls and difficulties of leading a family business as it transitions from one generation to the next. Sustainability is a relevant and established topic in the family business literature. However, family business scholars lack a comprehensive understanding of the different streams of research and the potential new areas for exploration on this topic. This limitation is a significant hindrance to the advancement of theory and practice in the area (Ramírez-Pasillas & Nordqvist, 2021). Miller (2014) postulates that the multigenerational survival rate for family-owned businesses is not good. Lack of a shared vision for the family enterprise and weak next-generation leadership are often cited as two of the leading reasons for the failure of family firms to successfully transition from one generation of family ownership to the next (Miller, 2014).

Moreover, the operational demands of running a family business can be all-consuming, but business leaders must take the time to assess their organization's succession planning. The penalty for failing to plan can be significant, as the coming years can bring challenges as wealth and business change and adopt new ownership structures. A business's long-term survival will depend on getting ahead of those challenges and strategic planning. This paper reviews the literature and development of a succession plan based on Kotter's (2012) eight-stage model for creating significant change for a small family firm. The current literature and this author's family business are replete with examples of how new insights can be gleaned as the organization navigates its future. The leadership recognizes that importance relies on leading effectively, follower performance, motivation, robust biblically aligned value systems, and functional

strategic leadership that will lead the organization to perform. This author understands that a family business is dynamic and fluid, and trends are constantly changing but with a strong understanding that the firm should mirror the biblical mandate to make disciplined learners and servant-centric leadership decisions as the company continues to innovate and evolve.

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