Small Bus Econ (2011) 36:47–64
DOI 10.1007/s11187-009-9175-9

A model to study the organizational culture of the family firm

Manuel Carlos Vallejo

Accepted: 21 January 2009 / Published online: 17 February 2009

Abstract The results of research of the utilitarian type on the culture of the family firm is reported here. A model is built and defined on the basis of the main arguments supporting the following theories: general systems theory, neoinstitutional theory, transformational leadership theory, field theory, learning theory, and group dynamics theory. The resulting model is an instrument that can be used to deepen our understanding of the organizational culture of this type of firm. It should prove to be a powerful tool to exploit the competitive potential of this culture, which has often been noted in the literature.

Keywords Family firm · Group dynamics · Learning theory · Neoinstitutionalism · Organizational culture · Transformational leadership · Values

JEL Classifications D21 · D23 · L26

1 Introduction

Although considered somewhat superfluous and of dubious value for many years, the formation, molding, and reinforcement of organizational culture has since become one of the central concerns of firms in their search for effective management (Schein 1996; Sorensen 2002; Lee and Chen 2005; Henry 2006). Indeed, the culture of organizations continues to be an important topic, for managers as well as researchers (Ogbonna and Harris 2002; Fey and Denison 2003; Ravasi and Schultz 2006). Schein (1996) argues that culture is one of the most powerful and stable forces at work in organizations. Culture presumably influences firms' financial performance (Denison 1984), their internal development (Cox et al. 1991), and their strategic success (Bluedorn and Lundgren 1993). It has also become clear that firms about to merge must adapt their cultures to suit each other (Fairclough 1998).

However, researchers have largely ignored culture in family firms, with Gallo (1993, 1995), Dyer (1986), Ainsworth and Wolfram (2003), Aronoff (2004), and Denison et al. (2004) being important exceptions. With the exception of these authors, contributions to this field have tended to focus on differential aspects, in line with Gallo (1993, 1995), and have generally been the result of the professional experience of consultants and advisors rather than rigorous scientific research. I have not been able to find any research work focusing on the culture of the family firm as a source of competitive advantage. At the most there are a few studies that, among other findings, suggest that one of the keys to success in family firms may be their culture (Viedma 1990; Collins and Porras 1996; Simon 1997), but none of

M. C. Vallejo (✉)
Facultad de Ciencias Sociales y Juridicas, University of Jaén (Spain), Building D-3, Office 155, Campus Las Lagunillas s/n, 23071 Jaén, Spain
e-mail: mvallejo@ujaen.es

these studies were designed from the outset to demonstrate the existence of a relation between culture and profitability or performance.

Thus, the research presented here is considered by the author as a necessary contribution to the literature on the family firm, since it proposes a theoretical model by which to analyze the culture of the family firm. Starting from some of the different values that define the second level of organizational culture[1], this model can be used to examine and confirm the importance of this culture for the generation of competitive advantages, based on the stronger culture that these specific and distinctive values confer.

This research paper has been structured in two main sections with the aim of accomplishing the main objective of the research and to facilitating an understanding of this research. In Section 2, I describe the theoretical framework that has served as the basis for formulating the theoretical propositions stated here, which in turn form the basis for the model of cultural analysis that is proposed here. The third and concluding section is dedicated to defining and describing the significance and utility of this model.

2 Theoretical framework

2.1 The tri-systemic conception of the family firm: general systems theory

Like any other type of firm, the family firm has the attributes that are characteristic of any system (Kast and Rosenzweig 1987). However, the concept of family firm under the perspective of general systems theory is notably different from the concept of any other type of firm. This difference resides fundamentally in the number of subsystems that interact in and condition its operation. In the structure of any firm system, two subsystems can be appreciated: the ownership subsystem and the business subsystem (or subsystem of the firm itself). Within this perspective, however, the family firm system has, in addition to the two subsystems just mentioned, a third subsystem labeled "family subsystem". This subsystem has an important influence on both the structure and the operation of the family firm, but especially on the culture of the firm system as a whole (Churchill and Hatten 1987). Thus, family firm managers have to contend with the desires of each subsystem when they formulate goals (Tagiuri and Davis 1992).

In contrast to this tri-systemic model, Astrachan (1988) proposes a tetra-systemic model, which adds a fourth subsystem to the tri-systemic model, the so-called "community" subsystem, in an attempt to reflect the influence on the family firm itself of the culture and idiosyncrasies of the community in which it was founded and within which it operates. Similarly, Donckels and Fröhlick (1991) also propose a tetra-systemic model, comprised of the following subsystems: management, ownership, family, and firm. This model also takes into account the influence of the environment on the family firm.

The existence of a certain congruence between the organizational culture and the local community culture tends to be a characteristic of family firms' management that is not present in non-family firms' management (Astrachan 1988). On the other hand, the influence of the national culture on the behavior of societies and organizations (Hofstede 1980, 1991) allows us to assume that this local community culture is a reflection of the national culture.

This special nature means that family firms experience a phenomenon, known as *familiness*, which is a result of the interaction of the family system with the firm and which leads to the firm possessing a unique bundle of resources (Habbershon and Williams 1999). The family provides advantages in terms of business organization, since the implicit social ties that are indicative of the family relation substitute the explicit contractual and formal relations that predominate in non-family firms (St. James 1999).

As long as the family procedures contribute to efficiency and effectiveness, the family firm will survive and grow (Aronoff and Ward 1995).

In view of the exclusive presence of the family system in family firms' configuration, the influence of the local community culture on the firm's management, and the influence of the national culture on the

[1] According to Schein (1988), the organizational culture consists of three different levels: artifacts (first level), values (second level), and assumptions (third level). A scale of perception exists from the first level to the third level. Thus, artifacts are the most clearly perceptible, while the perception of values and, especially, assumptions is more difficult. For this reason, values and assumptions are known as the two invisible levels of the organizational culture.

local community culture, I advance my first theoretical proposition:

Proposition 1 *The cultural differences between family and non-family firms originate in the unique systemic configuration of the former, which is characterized by the presence of the family subsystem and a greater influence of the national culture.*

The presence of the family subsystem means that the firm system—as a finalist system—must pursue goals that satisfy the interests of the people belonging to the family, making it more likely for there to be conflicts of objectives that may paralyze, in the best of cases, or even extinguish the firm system. In this context, Miller et al. (1999) point out that the areas where the family and firm overlap end up being a source of conflict. Rosenblatt et al. (1985) go so far as to recommend that in order to manage a family firm, family and firm should be separated, since according to Sorenson (1999), the interference of the family (its relationships, norms, and attitudes, etc.) is the main trigger for conflict.

Socialization is the complex process by which the employees of the family firm learn the skills, attitudes, and behavior patterns of the owning-family culture, and in order to explain why it occurs we need to find a theoretical explanation for the transmission of the values and other elements of the family culture.[2] In this respect, neoinstitutional theory may help to explain theoretically why this transmission occurs.

2.2 The origin of the flow of values and attitudes under the neoinstitutional perspective

According to this theory, the engine driving the activity in organizations is simply the latter's desire to adjust to their external institutional environment in accordance with other organizations' responses to institutional pressures (Oliver 1991; Martínez and Dacin 1999), since those organizations that adapt to the institutional pressures that they face are more likely to be able to obtain the scarce resources and opportunities necessary for survival (Meyer and Rowan 1977; D'Aunno et al. 1991) as well as to respond to their most significant competitive challenges and threats (Baum and Oliver 1991).

With greater or lesser generalization, depending on the author, institutions can be understood as systems presenting diverse aspects, which incorporate systems of symbols (cognitive structures and normative rules) and regulatory processes that firms carry out and which determine their social behavior. The systems of meaning, systems of control, and actions are all interrelated. Institutions employ various methods and operate at levels that go from the worldwide to that of the organization (Scott 1995a, pp. 33–34). It is the individual agents that build organizations, either through a conscious and rational process of social construction or in a way that is relatively unelaborated but systematic (DiMaggio and Powell 1991; Powell 1991).

However we look at it, the family, taking into account the above definition of institution generally accepted by neoinstitutionalists, as well as the important role played by individual agents in institutional creation (DiMaggio and Powell 1991; Powell 1991), can be considered an external institution of the type "stakeholder" (Oliver 1991). This institution is created by the agents that make it up, with a significant presence and pressure in the firms, but only in those in which the "family institution" has a clearly and perfectly demarcated presence and influence. Once the individual agents identify the institutions that can generate socially desirable outcomes, these agents may work to reproduce these institutions (Scott 1995b) and formalize them (Lawrence 1999; Ahlstrom and Bruton 2001). This is precisely the situation that is reproduced in family firms, such that it is the members of the owning family themselves in their guise as agents that provoke the expansion of the family in the firm as a legitimizing institution.

In the external environment, social theorists have identified the regulative, cognitive, and normative systems as the pillars of institutions. There is, hence, a regulative pillar, a normative pillar, and a cognitive pillar (Scott 1995a).

These three pillars on which neoinstitutional theory is founded, especially the normative and cognitive pillars,[3] constitute a consistent theoretical

[2] In general, family culture refers to the artifacts, perspectives, basic values, and assumptions shared by the members of a particular family (Dyer 1986).

[3] The regulative pillar of institutions provides explicit guidance to organizational members about rules, controls, rewards,

argument for why the transmission of values and other elements of the family culture takes place, and why these are assumed by the individuals linked by employment to the firm, even when these have no family relationship with the family that owns the firm. This assertion is based on the idea of the institutional theorists (Zucker 1977; Scott 1995a) that institutional elements enter into organizations via the individuals that work in them.[4]

The normative pillar allows us to explain why the transmission of values and other elements occurs; these will later be grouped at different levels, in function of their perceptibility or ease of perception, and this is what defines the culture of the firm. This is so since the institutionalizing mechanism of this pillar is composed of norms and values, such that in the specific case of family firms, the owning families—in their guise as institutions—will carry out a normative institutionalizing process, transmitting their norms and values to the firms over which they exert a notable influence. It is precisely these values and norms, along with the underlying basic assumptions, that constitute, according to Schein (1988), the two invisible levels of the organizational culture concomitantly as its essence.

The cognitive pillar allows us to explain why this transmission of values and other cultural elements is perceived, processed, and analyzed by the members of the firm who do not belong to the family. These employees can never remain immune from the pressures, in institutional terms, coming from the owning families, who manage the firm according to their own culture. This influence conditions the behavior of the individuals not belonging to the owning family, since their legitimization in the eyes of the family will depend on their acceptance and identification with the norms, values, and other elements of the family culture. Via mimetic processes the employees will begin to reproduce the behaviors, attitudes, and ways of understanding the business of the members of the family that run the firm.

Thus, both the initial transmission from the owning family of the business and the subsequent analysis, assumption, and learning of values and conducts are determinant processes for the formation of the organizational culture and the management of the family firm. This can be understood under Zucker's (1977) microlevel perspective (microinstitutionalism), which considers that three aspects of cultural persistence are directly affected by institutionalization: transmission, preservation, and resistance to change.

All this converts neoinstitutional theory into an important element in our theoretical framework for explaining why family values flow from the family culture to the firm culture, and it allows the following theoretical proposition to be formulated:

Proposition 2 *The transmission of the values and norms of the owning family's culture is due to the institutional nature of the family.*

The what, how, and when of this transmission of values will be highly conditioned by the characteristics of the owning family, so it becomes important to have all possible information about it, although it is impossible to collect information about all possible types of families in a systematic and exhaustive manner.

However, and taking into account that one of the starting premises of the research reported here is its consideration of organizational culture as the key factor in the family firm's competitiveness and survival, we believe that the families behind successful family firms must be of the cohesioned type, according to Aronoff and Ward's (1993) taxonomy, and oriented toward the environment. This is so because firms of other types cannot very easily generate a culture that has the three characteristics (thickness, extent, clarity of ordering) that according to Sathe (1985) determine the strength of the culture and, hence, its capacity to generate profitability and ensure firm survival. Thus, the culture of a family that is cohesioned and oriented to its environment will contain some well-defined values that are shared by all its members, providing it with a cultural strength that will make it easier to institutionalize them in the

Footnote 3 continued
and sanctions (Scott, 1995a), so it does not contribute to explaining the flow of values and their cognition from the family to the family business like the other two pillars.

[4] In family firms, this mode of getting the institutional elements is different because their members are exposed to two socialization processes of a family nature—the socialization process of their own families and the socialization process of the owning family of the firm—and also because the literature considers the family to be the most important socialization agent (Macionis and Plumier 1999). From an organizational perspective, the main goal of socialization is just to make the new members understand the organizational culture defined in terms of its shared values (Chatman 1991; Bauer et al. 1998).

firm, according to the reasoning of neoinstitutional theory. At the same time its culture will be a significant, distinctive factor with competitive and strategic relevance compared to non-family firms.

It will be precisely the extent of the definition and joint assumption of these values—starting from Stinnett's (1992) idea—that will allow us to define the strength of the family unit. Moreover, this same author sustains that the strength of the families of any economy conditions the possibility of survival of this institution as such, as well as its level of well-being and development. Even so, most of what has been published to date on the family focuses fundamentally on the defects and problems of the family institution. From a preventive point of view—oriented to strengthening the family—it is mainly the pathological aspects that have been highlighted. However, it is fundamental to establish the positive points of firms and provide the instruments required to strengthen them.

Consequently, the strength of the family becomes, a priori, an essential condition for a firm to achieve a strong culture that can help it become more profitable. In this respect, Stinnett (1983, 1986) carried out a research project over more than a decade involving more than 3,000 families in the USA and a further 20 countries in Africa, Europe, and Latin America. This led him to conclude that the main qualities of strong families were as follows:

1. Appreciation.
   Every human being has the basic need to feel appreciated by his or her fellows. Strong families have the habit of observing the good qualities of their members and expressing their appreciation. Everybody has positive qualities and talents, and it is in the family where these must be confirmed for the first time. Strong families concentrate on positive aspects.
2. Spend time together.
   In strong families, the members truly enjoy spending time together. They must plan and structure their time to do this. Spending time together is not something that can always be improvised: strong families plan it. Stinnett's research reveals an interesting pattern: the families frequently took part in outdoor activities.
3. Commitment.
   Strong families are deeply committed to the family group and to promoting the happiness and well-being of all its members. Although there has been little research on family commitment, modern societies have experienced a process of change that has sidelined those attitudes excessively centered on the individual, leaving space for a new ethics of commitment, in which new norms of life are evident that promote personal realization through deeper human relationships.
4. Communication.
   Strong families are good at communicating. This quality is closely related to the above qualities. Good communication takes time. Strong families not only talk frequently, but they also know how to listen, thereby demonstrating mutual respect for all family members. Likewise, they are always ready to face conflicts, and they commit themselves to seek the most suitable solutions. They are prepared to confront problems in a creative way.
5. High level of religious orientation.
   Research carried out in the past 40 years shows a positive relation between religion, marital happiness, and family well-being. Stinnett (1983, 1986) finds that being conscious of a superior power gives many families a sense of meaning, as well as strength. This consciousness also helps them to be more patient and more tolerant, to overcome conflicts more quickly, and to be more cooperative in their relationships.
6. Ability to resolve crises positively.
   Strong families are able to resolve crises constructively; they can confront problems and continue to help each other. These families have the ability to resolve problems and can find positive aspects, even in the most difficult situations. They are prepared to identify moments of crisis and to confront problems rather than members of the family unit.

Starting from the qualities that are indicative of family strength, we now define the values, which, as variables, allowed me to build my model for the analysis of culture in family firms. These values are as follows.

1. Commitment

This variable is defined here starting from the qualities "commitment" and "spend time together". Authors such as Leach (1993) and Lee (2006) have highlighted the importance and greater weight of this value in family firms.

The study of organizational commitment has been approached in the scientific literature from three distinct perspectives, such that we can speak of three distinct types of commitment: affective or attitudinal, calculative or continuance, and normative (Iles et al. 1996), although as De la Calle and Maeztu (2000) point out, it is affective or attitudinal commitment that tends to be identified with organizational commitment and which is consequently the most studied of the three types.

For De Quijano et al. (2000), affective or attitudinal commitment entails aspects such as affection or fondness for the organization. In addition, according to Meyer and Allen's three-component model of organizational commitment (Allen and Meyer 1990; Meyer and Allen 1984, 1991), affective commitment refers to identification with and emotional attachment to the organization. For this reason, affective commitment can be defined as the extent to which an employee identifies with the firm (identification).

With regard to the type of commitment known as calculative or continuance, Meyer and Allen (1997) point out that it represents aspects such as the costs—not only economic but also emotional—perceived by the worker to be associated with leaving the organization.

According to Meyer and Allen (1991), because continued employment is a matter of necessity for the employee with high continuance commitment, the nature of the link between commitment and on-the-job behavior is likely to be dependent upon the implications of that behavior for employment. An individual whose primary tie to the organization is a high continuance commitment may exert a considerable effort on behalf of the organization if he or she believes continued employment requires such behavior. Thus, the process by which continuance commitment is translated into behavior may involve the employee's evaluation of the behavior-employment link.

For this reason, continuance commitment could be identified with the involvement of the employees in their organization.

Finally, the third aspect or type of organizational commitment, known as "normative", consists of consequences of the obligation to remain in the organization. These are experienced by the employees because they believe this to be the right thing to do. This feeling of loyalty towards the organization may be triggered by family or cultural socialization pressures or processes (Morrow 1993). The family is one of the most important agents of socialization that transmit norms, values, and attitudes during the socialization process (Bush et al. 1999). Loyalty tends to be an important value transmitted by families because it strengthens the ties between members and hence contributes to family survival. Similarly, loyalty plays the same role for the survival of nations or nationalities, which is why the strength of a national culture is almost always based on a high level of loyalty among its citizens.

Taking into account the existence of these three distinct aspects of organizational commitment, along with the different contributions from the literature on family firms dealing with this area, I suggest that in order to achieve a better measure and analysis of this variable it is advisable to break down this aspect into three parts, with each part corresponding to one of the aspects of organizational commitment mentioned above. These variables are as follows:

1.1 *Identification*: Moscetello (1990), Adams et al. (1996) and Kets de Vries (1993) reveal the existence of higher levels of identification with the cultural values of the firm among employees working in family firms.
1.2 *Involvement*: Again, Moscetello (1990) finds that employees of family firms are usually more involved.
1.3 *Loyalty*: With regard to this variable, Ward and Aronoff (1991), Ward (1988), and Neubauer and Lank (1998) highlight the high degree of loyalty in family firms compared to non-family firms. Tagiuri and Davis (1996) also stress that family firms can develop high indices of loyalty as a consequence of the strong emotional involvement that exists in them.

2. Harmony

The definition of this variable comprises the qualities "appreciation", "spend time together", and "communication". Some authors regard the existence of greater harmony, evident in better human relationships within the business as well as in a better working atmosphere, as one of the characteristic values of the family firm (Trostel and Nichols 1982; Ward 1988).

It was the Human Relations School that first stressed the concept, as well as the importance of achieving a certain level of harmony from the human resources perspective, since it can improve the way organizations operate. In order to achieve this harmony, McGregor (1960) maintains that one of the principal conditions of human nature must be respected: the search for autonomy and control over one's life. From the organizational perspective, this can be achieved by encouraging active participation in the decision-making process, such that employees become involved in the management and personally assume the objectives of the firm.

In the same way, the organizational structure must be construed and designed in such a way as to generate a working environment that stimulates human resources to fully develop their labor potential, at the same time as allowing them to realize themselves through their work.

McGregor also maintains that the organizational structure must abandon the classical patterns informed by the principles of hierarchy and authority and replace them by a structure that is much more group-oriented, with group members assuming common objectives. The structure must be based on cooperation and mutual support; this helps to eliminate hostility.

In view of these three aspects pointed out by the Human Relations School as necessary to achieve higher levels of harmony in organizations, and analogously to what we do for the variable "commitment", this variable can be broken down into another three variables in order to improve its measure, such that each part corresponds with one of the three aspects mentioned above, always taking into account the extant literature on the presence of these three variables in family firms. These variables are:

2.1 *Working environment/atmosphere*: Scase and Goffe (1980), Goffee and Scase (1985), and Tagiuri and Davis (1992) stress that family firms have a better working atmosphere. They tend to be good places in which to work, in the sense of being places where people can be themselves and achieve happiness.

2.2 *Participation*: Daily and Dollinger (1992), Hall (1988), and Poza et al. (1997) find that family firms have much more flexible structures, which makes them more participative. Pervin (1997) finds that the personal involvement of the family members makes family firms more creative. Finally, Eddleston et al. (2008) find that participative decision-making reduces cognitive and relationship conflicts in family firms.

2.3 *Trust*[5]: Authors generally find that those organizations whose leader builds a system of relations based on trust are more effective and more successful in the long run (Hosmer 1995; Bennis and Goldsmith 1997; Shaw 1997). Trust will be considered here as another of the characteristics that contributes to achieving greater levels of harmony in family firms due to the greater level of trust that exists between the individuals that work in family (Ward and Aronoff 1991; Adams et al. 1996; Lee 2006). Steier (2001) regards trust as an important source of competitive advantage for the family firm, since it contributes to cutting transaction costs. For their part, LaChapelle and Barnes (1998) find that achieving a high degree of trust in relationships with non-family-member employees is a very important requisite in terms of the family firm's performance and survival.

3. Long-term orientation

For the definition of this variable, I used the qualities "ability to resolve crises positively" and "high level of religious orientation". The tendency among family firms to orient their activities to the long term, in contrast to what tends to happen in non-family firms, has been noted by authors such as Danco (1975), De Visscher et al. (1995), and Anderson and Reeb (2003).

As with the previous variables, I shall make use of other studies to assess the presence of long-term orientation in the culture of the family firm more precisely.

The reason for this consideration is simply the desire of businessmen and entrepreneurs to maintain and continue their businesses (long-term orientation) in a series of goals that they hope to accomplish and that can be grouped into two large categories: extrinsic and intrinsic (Kuratko et al. 1997).

[5] Although McGregor (1960) does not speak about trust specifically or directly, he does so indirectly when he notes that the organizational structure must be based on cooperation and mutual support, since trust is the key issue in most of the specialized literature on cooperation in organizational and inter-organizational relationships (see Gambetta 1988; Jung and Avolio 2000; Korsgaard et al. 2002).

Family firms tend to have an objective with a strongly intrinsic character—family security—which along with the view of the firm as a legacy to pass down to future generations leads, according to Davis (1990, cited in Leach 1993, p. 29), to a management that is highly long-term oriented, notably influenced by the following aspects: risk aversion, a policy guiding how to make use of the profits generated and the level of indebtedness.

Consequently, here, the variable long-term orientation is broken down into these three variables in order to optimize its observation, a choice supported by contributions from the literature on this question in relation to family firms.

3.1 *Reinvestment of profits*: Authors such as Gallo and Vilaseca (1996), McConaughy et al. (1995), and Poutziouris (2001) note the tendency of family firms to reinvest a higher proportion of their profits in the firm.

3.2 *Level of indebtedness*: Authors such as Donckels and Fröhlick (1991), McConaughy and Philips (1999), and Gallo et al. (2004) demonstrate the existence of a lower level of indebtedness, measured in terms of the relative levels of long-term debt and equity, in family firms.

3.3 *Attitude towards risk*: Donckels and Fröhlick (1991) and Gallo et al. (2004) find that family firms are, in general, highly risk averse, tending to identify innovation as a high element of risk. It is for this reason that these firms consider that the CEO should not undertake innovations that entail excessive risk for the firm.

4. Customer service

Authors such as Lyman (1991), Aronoff and Ward (1995), and Poza (1995) stress the importance of customer service in family firms. These firms consider dedication and concern for customers to be one of the key elements in their competitive strategy.

Executives of family firms understand that their customer service policy should be oriented towards personal interaction, in which the emotional reaction is much more important than the behavior that the firm wishes to elicit in the customer. Flexibility is implicit in any situation when dealing with customers, in view of the nonexistence or scarcity of written rules; employees are therefore personalized and given freedom to serve customer needs at any moment. Consequently, the managers have a high level of trust in their employees, and the former often consider the effects of their customer service policy as a reflection of their position as owners, evident in the primacy of family or personal values over corporate values in the satisfaction of customer demands (Lyman 1991). On the basis of the above, I formulate theoretical Proposition 3a:

Proposition 3a *The culture of the family firm is characterized by a stronger presence in its second level of values, such as commitment (reflected in identification, involvement, and loyalty), harmony (measured in working atmosphere, participation, and trust), long-term orientation (observable in the tendency to reinvest profits, the level of indebtedness, and risk aversion), and customer service.*

Going deeper with the construction of this model, I have not been able to find any research work focusing on the influence of organizational culture on profitability and survival in family firms, or the influence of the values of the organizational culture on profitability and survival in family firms. I did find some results about these influences, but only from a general point of view.

In this respect, it is important to note the contributions of Kotter and Heskett (1995), who look in a little more detail at the repercussions of a strong and solid culture for a firm. They find a close association between profitability—and consequently firm survival itself—and the existence of a strong and solid culture. Other authors, such as Ogbonna and Harris (2000) and Sorensen (2002), also find a positive relation between strong organizational culture and profitability.

At the same time, a number of researchers find that the elements of the second level of the organizational culture—the values—have a positive influence on the performance of organizations (Dobni and Ritchie 2000; Kwon et al. 2000; Burke 2001). On the basis of the above, theoretical Proposition 3b is formulated:

Proposition 3b *Cultural values, such as commitment, harmony, long-term orientation, and customer service, influence profitability and survival in family firms.*

Once we have determined why the transmission of the owning family's values and other cultural elements takes place, we are left with the question of how the diffusion and assumption of these values and cultural elements happen. The theoretical model proposed by Schein (1988) to study the business culture of firms in general can, in our opinion, help explain how these processes occur in family firms, if adjustments are made to suit this type of firm.

This author proposes a combination of three different theories to explain these processes: group dynamics theory, leadership theory, and learning theory. Starting from this proposal, the argumentation of our model of the organizational culture of family firms is based on transformational leadership theory and field theory, social learning theory, and group dynamics theory.

Transformational leadership theory, along with field theory, will allow us to explain how the diffusion and modification of values and other cultural elements between firm members take place. For their part, social learning theory and group dynamics theory form the theoretical foundation required to explain how and why these diffused cultural elements (and their possible modifications) are assumed by organizational members.

2.3 The diffusion and modification of the family culture's values: leadership and field theories

The leadership theories, both the charismatic and the transformational, represent a clear advance with respect to the theoretical models of leadership that existed before their appearance. Most theoretical models developed prior to the transformational leadership theory approach the exercise of leadership in organizations as a process of interchanges aimed at achieving each party's own objectives; Burns (1978) calls this transactional leadership. Followers are rewarded by the transactional leader when they manage to achieve the agreed-upon objectives, and the leader guides them so that they can accomplish their goals, monitors their performance, and applies the appropriate corrective measures when the established standards are not met (Bass 1999; Bass and Steidlmeier 1999).

Transformational leaders motivate their followers to work to achieve significant objectives, rather than selfish short-term goals, and to recycle themselves rather than seek security. In this case, the reward for the followers is internal. Explaining his or her vision, the transformational leader convinces followers to work hard and accomplish the goals that they have in their (the leader's) minds. This vision provides the followers with a motivation for their work that turns out to be self-compensatory (Bass 1985, 1999).

The theoretical proposals of this new paradigm have served to demonstrate that the leaders described as charismatic, transformational, or visionary have positive effects on both their organizations and followers in terms of firm performance and levels of satisfaction, commitment, and identification (Fiol et al. 1999).

All this scientific thinking around the concept of transformational leadership allows us to argue that the greater solidity and strength that we believe is a characteristic of the culture of family firms compared to that of non-family firms, given equal economic, social, and technological conditions, may be due to the fact that the leadership of this type of firm is more transformational. It is therefore able to disseminate and modify the values and other elements of the family culture more effectively while, at the same time, getting its followers to commit themselves firmly to the mission and objectives of the organization, as Bandura (1986), Hater and Bass (1988), and Shamir et al. (1993) point out. Likewise, the followers have a greater confidence in their own possibilities because their leaders have stimulated their intellects and taken into consideration the existing differences between them (Yammarino and Bass 1990).

This is the case because transformational leaders transform the needs, values, preferences, and aspirations of their followers, leading them from their own interests to collective interests (Bass 1997; Sparks and Schenk 2001; Kark et al. 2003), achieving more effort and a greater clarity of roles, along with lower levels of conflict among the followers (Viator 2001). Similarly, Sosik (1997), Martín and Epitropaki (2001), and Walumbwa et al. (2004) stress the existence of a positive relation between transformational leadership and levels of satisfaction among employees, while Masi and Cooke (2000) and Sosik et al. (2002) find a positive relation between this type of leadership and performance at work.

Sorenson's (2000) research, based on a study of culture and organizational change in the family firm by Dyer (1986), which shows empirical evidence of the relation between the type of leadership exercised in the family firm and some efficiency measures, serves to endorse the previous reasoning to a certain extent. Specifically, the author finds five different ways leadership is exercised in this type of firm: participative, autocratic, *laissez-faire*, expert, and referent.

This author finds that referent, and especially participative leaders, who are, based on the above definitions, the closest to transformational leaders, allow family firms to achieve the results that both the family and the firm expect. Such leaders also lead to higher levels of satisfaction and commitment among non-family-member employees.

All this argumentation supporting how transformational leadership contributes to the diffusion and modification of owning-family values among the employees of the family firm allows the fourth theoretical proposition to be established:

Proposition 4 *The transformational leadership exercised by family leaders facilitates the diffusion and modification of owning-family values in family firms.*

The origin of the transformational nature of the leadership exercised in family firms still needs to be determined. When this leadership is exercised in family firms, it presents a number of connotations that are absent when it is exercised in non-family firms, again deriving from the tri-systemic structure of this type of firm. Sorenson (2000) has to a certain extent demonstrated this in an attempt to relate this type of leadership with the results expected both by the family and by the firm.

These connotations are due to the fact that the leaders not only have to take into account the objectives of their followers and of their firms, but also those of the family. The objectives of the family and those of the followers and even those of the firm tend to be at odds, which creates a situation of uncertainty and emotional conflict for the leader. In order to find a theoretical explanation for this specific emotional situation experienced by family firm leaders, we shall turn to field theory.

2.3.1 Emotional conflict from the perspective of field theory

The assumptions upon which this theory is sustained are well suited for studying both individual as well as group behavior. For this reason, it is particularly appropriate to study the behavior of the owner-manager in the context of two groups—the family and the firm—precisely the most common context in which family-firm leaders carry out their activities (Riordan and Riordan 1993).

Likewise, the theory postulates that there are areas of the subject's psychological environment that have certain characteristics not present in their objective environment, regardless of the subject's relation with their environment. In this respect, those areas that attract or repel have positive and negative valences, respectively. In this way, owner–managers of family firms will have at least two regions to which to direct their efforts within their personal space. Individuals' needs, values, and beliefs will confer a valence on each of these regions. These regions are the family and the firm, both with positive valence for the owner–manager.

The majority of family firms operate with many clearly-defined business objectives along with many undefined family objectives; both the former and the latter are closely related to the owner–manager's own objectives. Achieving a certain harmony between business objectives and family objectives is one of the motive forces explaining the existence of family firms (Rosenblatt et al. 1985).

In general terms, Riordan and Riordan's (1993) research, using field theory as the theoretical framework, drew important conclusions, such as the fact that the firm is a region in the owner–managers' personal space and that, moreover, it is a positive valence region for them. Likewise, they show that the behavior of owner–managers is the result of the forces of attraction that the family region and firm region exert on them and that the presence of these two positive valence regions conditions the leader's behavior in some way, since they generate an emotional conflict in them that is costly to overcome. Leaders have to make good decisions to achieve the firm's goals, even if they know that these decisions may not favor family goals or interests. Family leaders need to achieve a certain harmony between family and firm goals.

In contrast, as far as non-family firms are concerned, there is only one positive valence region exerting its attraction on the person responsible for achieving the objectives previously established for the business. Logically, this region is the firm. The other positive valence region—the family—which exerts its attraction on the owner–manager of family firms, is in this case absent.

This is why the abovementioned emotional conflict, which is provoked by this conception of the firm as an inherited legacy that has to be expanded and handed down to descendants, may be the source of the transformational type of leadership exercised in family firms.

As mentioned in the previous section, transformational leaders transform the needs, values, preferences, and aspirations of their followers, leading them from their own interests to collective interests (Bass 1997; Kark et al. 2003). Hence, transformational leadership is more suitable to handle the complicated mix of emotional issues (family) and rational issues (firm) that family leaders face when running the family business. The fifth theoretical proposition is based on this argumentation:

Proposition 5 *The emotional conflict experienced by family leaders makes the leadership exercised in family firms that of the transformational type.*

2.4 The assumption of the family culture's values: learning and group dynamics theories

Although the exercise of an adequate leadership by the family members becomes a key element in the transmission of values and other elements of the owning family's culture, these values and other elements need to be learned—in other words "assumed"—by those employees who have no family ties whatsoever with the owning family. Learning theory allows us to explain how the different elements making up the culture are assumed by the members of the firm.

The cognitive approach of organizational learning represents a valid theoretical framework to explain the process of learning the values and other elements of the family firm's culture. Specifically, Kim's (1993) model, which considers individual learning in the organizational context, is in our view the most successful integrative proposal of the processes of individual and organizational learning. This model reveals that in the early stages of any organization, when we speak of individual learning, it is exactly the same as organizational learning; however, as the organization grows, the distinction between the two becomes increasingly palpable. Moreover, individual learning is based on the concepts of conceptual and operational learning and on the concepts of individual and shared mental models.

Having reviewed the general theory, the fundamental idea underlying the postulates of individual learning proposed by Bandura and Walters (1959) and Bandura (1982) in their theory of social learning—learning by observation and imitation of the behavior of others—allows us to explain the distinctive characteristics of the process of learning the family values transmitted by the leader. It will be precisely thanks to the family leadership of a marked transformational type that the imitation of the family leader's behavior—itself clearly influenced and determined by the family's own values—can be more generalized, intense, and continual, thereby ensuring an effective assumption of the values and other elements of the family culture.

This idea of individual learning based on observation and subsequent imitation has been used to explain different aspects of the learning processes in organizations (see Robinson and O'Leary-Kelly 1998; Johnson and Marakas 2000; Raelin 2001; Casey 2005).

However, there is still the unresolved question of why transformational leadership can lead to a more generalized, intense, and continual imitation of family leader behavior. The answer to this question can be found, once more, in the characterization that Bass (1985) makes of transformational leadership, in which he proposes charisma as one of the defining factors of this type of leadership. Charisma is to be understood as the ability that the leader must have to inspire a feeling of value, respect, and pride that allows a vision to be articulated.

This same theoretical approach also becomes an appropriate foundation upon which to support the idea that among the methods proposed by Bandura and Walters (1959) that are used to modify conduct—extinction, counter-conditioning, positive reinforcement, social imitation, and discriminative learning, all of which have a marked role in the learning process—two are, according to Schein (1988), the most effective when they are used in the exercise of a transformational-type leadership; these are positive reinforcement and extinction. This type of leadership is what we consider to be the type exercised by leaders in family firms because it is more suitable for handling the complicated mix of emotional issues (family) and rational issues (firm) that family leaders face when running the family business, as pointed out in the previous section.

In short, we can consider that the characteristics of the transformational-type of family leadership exercised in family firms enable and favor the processes of individual learning of culture in general and of family values in particular. This individual learning is based on imitation and observation according to the theory of social learning (Bandura and Walters 1959; Bandura 1982). Finally, Kim's (1993) model proves to be a powerful tool to explain and understand how organizational and individual learning can be integrated by means of mental models.[6] The cycles of individual learning affect learning at the organizational level through their influence on the organization's shared mental models. Organizational learning is dependent on individuals improving their mental models, and making those mental models explicit is crucial to developing new shared mental models (Kim 1993). In this way, family values are first learned by individuals and incorporated into their mental models and then incorporated into the shared mental model of the organization as cultural elements.

Taking into consideration the above arguments of social learning theory about individual learning by imitation, Kim's (1993) proposal to link individual and organizational learning through mental models and the possible transformational leadership exercised in family firms, I formulate my sixth theoretical proposition:

Proposition 6 *The transformational leadership exercised in the family firm encourages a more intense, generalized, and continual social imitation, which favors individual learning or assimilation of the values of the family culture, which is the foundation of organizational learning according to the cognitive approach.*

2.4.1 Group dynamics theory

A group can be conceptualized as a collection of individuals who perceive themselves to be members of the same social category, share some emotional involvement in this common definition of themselves, and achieve some degree of consensus about the evaluation of their group and of their membership in it (Tajfel and Turner 1985).

The first point to understand is how each individual ends up feeling that he or she is first and foremost a member of the group, and how each member resolves the vital conflict between their desire to be assimilated and subsumed into the group and their desire for full autonomy and freedom vis-à-vis the group. A new group does not exist as a working group, capable of achieving its mission, until its members find out that they can satisfy their personal needs by being part of the group (Hogg 2000, 2001).

The Fundamental Interpersonal Relations Orientation (FIRO) theory postulates that these basic needs of the individual when incorporating into a group are fundamentally reduced to the following three aspects: security (inclusion); control; acceptance and intimacy (Shaw 1994). Likewise, the FIRO theory has also been applied to family firms by Danes et al. (2002).

These interpersonal needs referred to by the FIRO theory will be a reflection of basic human needs, becoming over time the source of, on the one hand, anxiety and fear of failure and, on the other, of positive energy in the path to satisfaction of the interpersonal needs. Each member of the group provides different skills, values, attitudes, personalities, and cognitive styles to the group, while at the same time hoping to satisfy different demographic attributes and needs (McGrath et al. 2000).

According to social identity theory, the social groups with which a person identifies are key determinants of many aspects of their way of thinking, feeling, and behaving (Abrams and Hogg 1998; Hogg 2001; Jiatao-Li and Pillutla 2002) as well as of aspects such as the degree of group cohesion (Smith et al. 1999).

The integration process of people in any firm can be considered as a group integration process. The people making up the workforce of a family firm have to face a special situation, since as well as overcoming their difficulties in satisfying their basic needs when they incorporate into the group, they also have to adapt or even replace their own personal values—mainly acquired during the socialization that they experienced in the family home, from birth to maturity—by those of the owning family. This

[6] Kim (1993) distinguishes between individual mental models and shared mental models. Individual mental models are described as deeply held internal images of how the world works that have a powerful influence on what we do because they also affect what we see. Shared mental models are described as thought constructs that affect the way organizations see how the world works and how they operate in the world.

situation has, as the most significant positive consequence for the running of the firm, the closer links of belonging and inclusion in the group that arise when the process is successful. This lends more cohesion to the firm and firmly contributes to a consolidation of the values of the family culture or, equivalently, to a strengthening by identification to the culture of the firm.

There are two explanations for the above analysis. The first is that people's sense of affective commitment to the group may be the crucial factor that determines whether they are likely to behave in terms of their group membership and of the common team goals (Ellemers 2001). The second has to do with the fourth proposition concerning the exercise of a transformational-type family leadership in the family firm and its influence on the level of commitment. In this respect, Fiol et al. (1999) and Walumbwa et al. (2004) note that it has been empirically demonstrated that leaders described as charismatic, transformational, or visionary have positive effects on followers' levels of satisfaction, commitment, and identification. In addition, transformational leaders also build high-performing work groups by enhancing cohesiveness (Pillai and Williams 2004).

This argumentation, based on transformational leadership, for why the values of the family culture are consolidated in family firm employees, thereby enhancing their cohesion as a group, allows the seventh theoretical proposition to be established:

Proposition 7 *The transformational leadership exercised in family firms generates a strong level of group commitment that favors the consolidation of the values of the family culture and the enhancement of group cohesion.*

The entire theoretical approach that has been in the research presented here on the culture of family firms can be summarized and integrated into a theoretical framework that shall be referred to here as the "cultural model of the family firm".

Figure 1 presents a diagram of the proposed model and shows how Propositions 1–7 contribute to the construction of the model. Finally, the model considers two dependent variables—profitability and survival—as key factors determining the competitive potential of the culture of the family firm. Profitability is defined here as the firm's positive or negative results in terms of annual profits; survival is defined as the number of years the firm has been operating (i.e., its age).

3 Conclusions

The model put forth here is the result of integrating the various theoretical propositions advanced throughout this work, derived from the postulates of significant theories from various scientific disciplines, such as business organization, social psychology, and sociology. The author believes that this model can serve as an instrument to measure the culture of family firms and compare it with that of other populations of firms. In its construction I have employed general systems theory, socialization theory, neoinstitutional theory, transformational leadership theory, field theory, learning theory, and group dynamics theory, always taking into account the distinctive characteristics of family firms noted in the literature. In short, the starting point was the general approaches of all these theories, followed by their application to the particular case of the family firm. As such, one of the most important gaps in research on the family firm has been filled—the study of family firms in general and their culture in particular, based on theories of generic application that are recognized and accepted by the scientific community.

As can be seen from a reading of the various theoretical propositions, thanks to general systems theory, it is now possible to explain the unique tri-systemic nature of the family firm. Socialization theory is the key theoretical argument used to understand the idiosyncratic definition of the culture of this type of firm, although it is the regulative, normative, and cognitive pillars of neoinstitutional theory that allow us to determine the keys of the socialization process.

Specifically, this theory allows us to understand why the values and other elements flow from the family culture to that of the firm. In turn, leadership theory and field theory have provided the ideal theoretical support to help us understand how the transmission or diffusion of these cultural elements occur. Finally, the main arguments of learning theory and group dynamics theory have been used to explain the assumption of these cultural elements by all the organization's members.

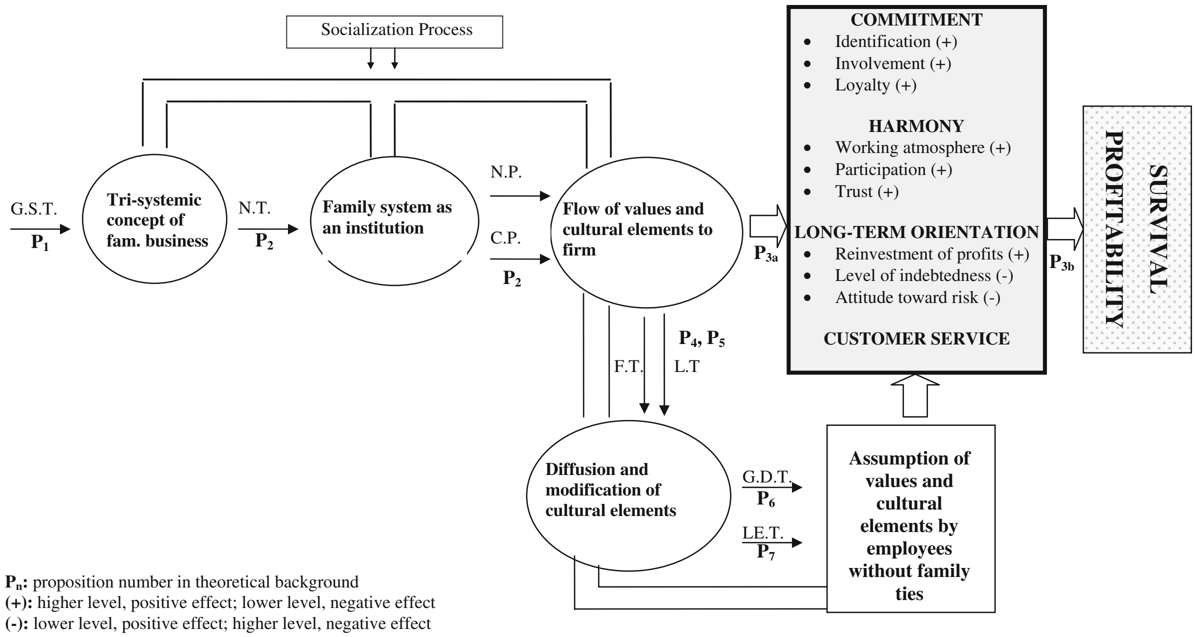

Fig. 1 Cultural model of family firm as proposed by the author. *G.S.T.* General systems theory, *N.T.* neoinstitutional theory, *N.P.* normative pillar, *C.P.* cognitive pillar, *L.T.* leadership theory, *F.T.* field theory, *G.D.T.* group dynamics theory, *LE.T.* learning theory. *Source*: The authors

To conclude, it should be mentioned that this model is a distinctive and novel proposal designed within the framework and rigor of important and recognized theories from various scientific fields. I believe that once its validity has been empirically tested, this model will prove to be a powerful tool for analyzing and confirming many of the existing theoretical contributions and convictions on the specificity and importance that organizational culture may have for the competitive potential of family firms, especially in relation to their survival and profitability, as is shown in the model, since this kind of firms seems to be more profitable (Lee 2006).

There are two additional aspects that should be taken into account when testing the model empirically. The first is the influence of the national culture on the organizational culture. Hofstede (1980, 1991) demonstrates that there are national and regional cultural groupings that affect the behavior of societies and organizations and that these are very persistent across time. Hence, family firms will be affected by national culture even more than other organizations because of the influence of the national culture on the family and organizational culture. Researchers could use Hofstede's five-dimensional framework (low versus high power distance; individualism versus collectivism; masculinity versus femininity; uncertainty avoidance; long-term versus short-term orientation) to assess this influence. The second aspect is the important role that the values of the organizational culture can play in the firm's evolution and growth. According to the evolutionary perspective of ownership proposed by authors such as Gersick et al. (1997) and Ward (1991), among others, family firms have to face new challenges and risks in each stage of their evolution—in each family generation transition. The four values of our cultural model (commitment, harmony, long-term orientation, and customer service) should be taken into account as a complementary, powerful tool to guarantee the success of these transitions.

It may be decisive to foster the cultural element long-term orientation during the first evolutionary stage, labeled "controlling owner". During this stage, it is important that founders who wish to bequeath the firms they have created to the coming generations adopt this long-term view.

In a stage like the second, labeled "sibling partnership", in which the distinct family branches are beginning to become defined, and the first confrontations and rivalries may appear among the heirs competing for the succession, power, or control of the capital, achieving the commitment of all the second-generation members to the firm could be essential for overcoming the many challenges of this stage.

Finally, in a stage like the third, labeled "cousin consortium", the use and fostering of harmony as a cultural value is critical for overcoming the challenges typical of this stage. This is the case because of the large number and complexity of relationships that arise among the different members of the firm, in turn originating in the multiple roles that are generated by the time the ownership, family, and business systems reach this particular stage in their evolution.

In any case, this article stresses the importance of the cultural variable that has been labeled here "customer service" in each and every one of the evolutionary stages through which family firms pass. Likewise, this model may prove to be the spearhead for more evolved and perfected future models of cultural analysis that will facilitate empirical testing of the widely recognized competitive advantages that their idiosyncratic organizational culture confers on family firms.

References

Abrams, D., & Hogg, M. (1998). Prospects for research in group processes and intergroup relations. *Group Processes and Intergroup Relations, 1*, 7–20.

Adams, J., Tashchian, A., & Shore, T. (1996). Ethics in family and non-family owned firms: An exploratory study. *Family Business Review, 9*, 157–170.

Ahlstrom, D., & Bruton, G. (2001). Learning from successful local private firms in China: Establishing legitimacy. *Academy of Management Executive, 15*, 72–83.

Ainsworth, S., & Wolfram, J. (2003). Families divided: Culture and control in small family business. *Organization Studies, 24*, 1463–1485.

Allen, N., & Meyer, J. (1990). The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of Occupational Psychology, 63*, 1–18.

Anderson, R., & Reeb, D. (2003). Founding family ownership and firm performance: Evidence from the S&P 500. *Journal of Finance, 58*, 1301–1329.

Aronoff, C. (2004). Self-perpetuation family organization built on values: Necessary condition for long-term family business survival. *Family Business Review, 17*, 55–59.

Aronoff, C., & Ward, J. (1993). *How families work together*. Marietta: Business Owner Resources.

Aronoff, C., & Ward, J. (1995). Family-owned business: A thing of the past or a model of the future? *Family Business Review, 8*, 121–130.

Astrachan, J. (1988). Family firm and community culture. *Family Business Review, 1*, 165–189.

Bandura, A. (1982). *Teoría del aprendizaje social*. Madrid: Espasa Calpe.

Bandura, A. (1986). *Social foundations of thought and action: A social-cognitive view*. Englewood Cliffs: Prentice Hall.

Bandura, A., & Walters, R. (1959). *Adolescent aggression*. New York: Ronald Press.

Bass, B. (1985). *Leadership performance beyond expectations*. New York: Academic Press.

Bass, B. (1997). Does the transactional-transformational paradigm transcend organizational and national boundaries? *American Psychologist, 52*, 130–139.

Bass, B. (1999). Two decades of research and development in transformational leadership. *European Journal of Work and Organizational Psychology, 8*, 9–32.

Bass, B., & Steidlmeier, P. (1999). Ethics, character and authentic transformational leadership behavior. *Leadership Quarterly, 10*, 181–217.

Bauer, T., Morrison, E., & Callister, R. (1998). Organizational socialization: A review of directions and future research. In G. Forris (Ed.), *Research in personnel and human resources management* (pp. 149–214). Greenwich: JAI Press.

Baum, J., & Oliver, C. (1991). Institutional linkages and organizational mortality. *Administrative Science Quarterly, 36*, 187–216.

Bennis, W., & Goldsmith, J. (1997). *Learning to lead: A workbook on becoming a leader*. Reading: Addison-Wesley.

Bluedorn, A., & Lundgren, E. (1993). A culture-match perspective for strategic change. *Research in Organizational Change and Development, 7*, 137–139.

Burke, R. (2001). Organizational values, work experiences and satisfactions among managerial and professional women. *Journal of Management Development, 20*, 346–354.

Burns, J. (1978). *Leadership*. New York: Harper Row.

Bush, A., Smith, R., & Martin, C. (1999). The influence of consumer socialization variables on attitude toward advertising: A comparison of African-Americans and Caucasians. *Journal of Advertising, 28*, 13–24.

Casey, A. (2005). Enhancing individual and organizational learning. *Management Learning, 36*, 131–147.

Chatman, J. (1991). Matching people and organizations: Selection and socialization in public accounting firm. *Administrative Science Quarterly, 36*, 459–484.

Churchill, N., & Hatten, K. (1987). Non-market-based transfers of wealth and power: A research framework for family businesses. *American Journal of Small Business, 12*, 53–66.

Collins, J., & Porras, J. (1996). *Empresas que perduran*. Barcelona: Paidós.

Cox, T., Lobel, S., & Mcleod, P. (1991). Effects of ethnic group cultural differences on cooperative and competitive behavior on a group task. *Academy of Management Journal, 34*, 827–847.

D'aunno, T., Sutton, R., & Price, H. (1991). Isomorphism and external support in conflicting institutional environments: A study of drug abuse treatment units. *Academy of Management Journal, 34*, 636–661.

Daily, C., & Dollinger, M. (1992). An empirical examination of ownership structure in family and professionally managed firms. *Family Business Review, 5*, 117–136.

Danco, L. (1975). *Beyond survival*. Cleveland: Center for Family Business.

Danes, S., Rueter, M., Kwon, H., & Doherty, W. (2002). Family FIRO model: An application to family business. *Family Business Review, 15*, 31–43.

De La Calle, C., & Maeztu, I. (2000). El Compromiso y la Flexibilidad en la Gestión de los Recursos Humanos. In: *Proceedings of the XIV National Congress, X Spanish-French Congress of AEDEM* (pp. 485–492), Jaén.

De Quijano, S., Navarro, J., & Cornejo, J. (2000). Un Modelo Integrado de Compromiso e Identificación con la Organización: Análisis del Cuestionario ASH-ICI. *Revista de Psicología Social Aplicada, 10*, 27–60.

De Visscher, F., Aronoff, C., & Ward, J. (1995). *Financing transitions: Managing capital and liquidity in the family business. Family business leadership series*. Marietta: Business Owner Resources.

Denison, D. (1984). Bringing corporate culture to the bottom line. *Organizational Dynamics, 13*, 4–22.

Denison, D., Colleen, L., & Ward, J. (2004). Culture in family-owned enterprises: Recognizing and leveraging unique strengths. *Family Business Review, 17*, 61–70.

Dimaggio, P., & Powell, W. (1991). Introduction. In W. Powell & P. DiMaggio (Eds.), *The new institutionalism in organizational analysis* (pp. 1–38). Chicago: University of Chicago Press.

Dobni, D., & Ritchie, J. (2000). Organizational values: The inside view of service productivity. *Journal of Business Research, 47*, 91–107.

Donckels, R., & Fröhlick, E. (1991). Are family business really different? European experiences from STRATOS. *Family Business Review, 4*, 149–160.

Dyer, W. (1986). *Cultural change in family firms: Anticipating and managing business and family traditions*. San Francisco: Jossey-Bass.

Eddleston, K., Otondo, R., & Kellermanns, F. (2008). Conflict, participative decision-making and generational ownership dispersion: A multilevel analysis. *Journal of Small Business Management, 46*, 457–485.

Ellemers, N. (2001). Social identity, commitment and work behavior. In M. Hogg & D. Terry (Eds.), *Social identity process in organizational contexts* (pp. 101–114). Philadelphia: Psychology Press, Taylor and Francis Group.

Fairclough, G. (1998). Culture clashes after combinations spur a new brand of due diligence. *Wall Street Journal*, p. A1.

Fey, C., & Denison, D. (2003). Organizational culture and effectiveness: Can American theory be applied in Russia? *Organization Science, 14*, 686–706.

Fiol, C., Harris, D., & House, R. (1999). Charismatic leadership: Strategies for effecting social change. *Leadership Quarterly, 10*, 449–482.

Gallo, M. (1993). Cultura en Empresa Familiar. In M. Gallo (Ed.), *La Empresa Familiar 4* (pp. 225–249). Barcelona: IESE, Publicaciones de la Cátedra de Empresa Familiar.

Gallo, M. (1995). *La Empresa Familiar. Textos y Casos*. Barcelona: Praxis.

Gallo, M., & Vilaseca, A. (1996). Finance in family business. *Family Business Review, 9*, 387–402.

Gallo, M., Tàpies, J., & Cappuyns, K. (2004). Comparison of family and non family business: Financial logic and personal preferences. *Family Business Review, 17*, 303–318.

Gambetta, D. (1988). Can we trust? In D. Gambetta (Ed.), *Trust: Making and breaking cooperative relations* (pp. 213–237). Oxford: Basil Blackwell.

Gersick, K., Davis, J., McCollom, M., & Lansberg, I. (1997). *Empresas familiares, generación a generación*. México: McGraw-Hill.

Goffee, R., & Scase, R. (1985). Proprietorial control in family firms: Some Functions of quasiorganic management systems. *Journal of Management Studies, 22*, 54–68.

Habbershon, T., & Williams, M. (1999). A resource-based framework for assessing the strategic advantages of family firms. *Family Business Review, 12*, 1–26.

Hall, P. (1988). A historical overview of family firms in the Unites States. *Family Business Review, 1*, 51–68.

Hater, J., & Bass, B. (1988). Superiors' evaluations and subordinates' perceptions of transformational and transactional leadership. *Journal of Applied Psychology, 73*, 695–702.

Henry, J. (2006). Organizational culture and performance measurement systems. *Accounting, Organizations and Society, 31*, 77–103.

Hofstede, G. (1980). *Culture's consequences: International differences in work-related values*. Beverly Hills: Sage Publications.

Hofstede, G. (1991). *Cultures and organizations: Software of the mind. Intercultural cooperation and its importance for survival*. London: McGraw-Hill.

Hogg, M. (2000). Social identity and self categorization processes in organizational contexts. *Academy of Management Review, 25*, 121–140.

Hogg, M. (2001). A social identity theory of leadership. *Personality and Social Psychology Review, 5*, 184–200.

Hosmer, L. (1995). Trust: The connecting link between organizational theory and philosophical ethics. *Academy of Management Review, 20*, 379–403.

Iles, P., Foster, A., & Tinline, G. (1996). The changing relationship between work commitment, personal flexibility and employability: An evaluation of field experiment in executive development. *Journal of Managerial Psychology, 11*, 18–35.

Jiatao-Li, X., & Pillutla, M. (2002). Multi-cultural leaders teams and organizational identification in international joint ventures. *International Journal of Human Resource Management, 13*, 320–337.

Johnson, R., & Marakas, G. (2000). Research report: The role of behavioral modeling in computer skills acquisition. *Toward Refinement of the Model. Information Systems Research, 11*, 402–417.

Jung, D., & Avolio, B. (2000). Opening the black box: An experimental investigation of the mediating effects of trust and value. *Journal of Organizational Behavior, 21*, 949–965.

Kark, R., Shamir, B., & Gilad, C. (2003). The two faces of transformational leadership: Empowerment and dependency. *Journal of Applied Psychology, 88*, 246–255.

Kast, F., & Rosenzweig, J. (1987). *Administración en las organizaciones. Enfoque de sistemas y contingencias, 4ª edición*. México: McGraw-Hill.

Kets De Vries, M. (1993). The dynamics of family controlled firms. The good news and the bad news. *Organizational Dynamics, 21*, 59–71.

Kim, D. (1993). The link between individual and organizational learning. *Sloan Management Review*, Fall, 37–50.

Korsgaard, M., Brodt, S., & Whitener, E. (2002). Trust in the face of conflict: The role of managerial trustworthy behavior and organizational context. *Journal of Applied Psychology, 87*, 312–319.

Kotter, J., & Heskett, J. (1995). *Cultura de empresa y rentabilidad*. Madrid: Díez de Santos.

Kuratko, D., Hornsby, J., & Naffziger, D. (1997). An examination of owner's goals in sustaining entrepreneurship. *Journal of Small Business Management, 35*, 24–35.

Kwon, U., Beatty, S., & Lueg, J. (2000). Organizational values, work norms and relational role behaviours: An empirical retail assessment. *International Review of Retail, Distribution and Consumer Research, 10*, 401–416.

Lachapelle, K., & Barnes, L. (1998). The trust catalyst in the family-owned business. *Family Business Review, 11*, 1–18.

Lawrence, T. (1999). Institutional strategy. *Journal of Management, 25*, 161–188.

Leach, P. (1993). *La Empresa Familiar*. Barcelona: Granica.

Lee, J. (2006). Family firm performance: Further evidence. *Family Business Review, 19*, 103–114.

Lee, C., & Chen, W. (2005). The effects of internal marketing and organizational culture on knowledge management in the information technology industry. *International Journal of Management, 22*, 661–672.

Lyman, A. (1991). Customer service: Does family ownership make a difference? *Family Business Review, 4*, 303–324.

Macionis, J., & Plumier, K. (1999). *Sociologı́a*. Madrid: Prentice-Hall.

Martín, R., & Epitropaki, O. (2001). Role of organizational identification on implicit leadership theories (ILTs), influences of self-deception and self-efficacy. *Group Processes and Intergroup Relations,* 4, 247–262

Martínez, R., & Dacin, T. (1999). Efficiency motives and normative forces: Combining transaction costs and institutional logic. *Journal of Management, 25*, 75–96.

Masi, R., & Cooke, R. (2000). Effects of transformational leadership on subordinate motivation, empowering norms and organizational productivity. *International Journal of Organizational Analysis, 8*, 16–57.

McConaughy, D., & Philips, G. (1999). Founders versus descendants: The profitability, efficiency, growth. Characteristics and financing in large, public, founding family-controlled firms. *Family Business Review, 12*, 123–132.

McConaughy, D., Walker, M., Henderson, G., & Mishra, C. (1995). Founding family controlled firms: Efficiency and value. In *Paper presented at the European Financial Management Association*.

McGrath, J., Arrow, H., & Berdahl, J. (2000). The study of groups: Past, present and future. *Personality and Social Psychology-Review, 4*, 95–105.

McGregor, D. (1960). *The human side of enterprise*. New York: McGraw-Hill.

Meyer, J., & Allen, N. (1984). Testing the side-bet theory of organizational commitment: Some methodological considerations. *Journal of Applied Psychology, 69*, 372–378.

Meyer, J., & Allen, N. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review, 1*, 61–89.

Meyer, J., & Allen, N. (1997). *Commitment in the workplace. Theory, research and application*. Thousand Oaks: Sage Publications.

Meyer, J., & Rowan, B. (1977). Institutionalized organizations: Formal structure, myth and ceremony. *American Journal of Sociology, 83*, 340–363.

Miller, N., Fitzgerald, M., Winter, M., & Paul, J. (1999). Exploring the overlap of family and business demands: Household and family business managers' adjustment strategies. *Family Business Review, 12*, 253–268.

Morrow, P. (1993). *The theory and measurement of work commitment*. Greenwich: Jai Press.

Moscetello, L. (1990). The Pitcairns want you. *Family Business Magazine*, February, 3–15.

Neubauer, F., & Lank, A. (1998). *The family business: Its governance for sustainability*. Hampshire: McMillan Business.

Ogbonna, E., & Harris, L. (2000). Leadership style, organizational culture and performance: Empirical evidence from the UK companies. *International Journal of Human Resource Management, 11*, 766–788.

Ogbonna, E., & Harris, L. (2002). Organizational culture: A ten year, two phase study of change in the UK food retailing sector. *Journal of Management Studies, 39*, 673–707.

Oliver, C. (1991). Strategic responses to institutional processes. *Academy of Management Review, 16*, 145–179.

Pervin, A. (1997). A conversation with Henry Mintzberg. *Family Business Review, 10*, 185–198.

Pillai, R., & Williams, E. (2004). Transformational leadership, self-efficacy, group cohesiveness, commitment and performance. *Journal of Organizational Change Management, 17*, 144–159.

Poutziouris, P. (2001). The views of family companies on venture capital: Empirical evidence from the UK small to medium-size enterprising economy. *Family Business Review, 14*, 277–291.

Powell, W. (1991). Expanding the scope of institutional analysis. In W. Powell & P. DiMaggio (Eds.), *The new institutionalism in organizational analysis* (pp. 183–203). Chicago: University of Chicago Press.

Poza, E. (1995). *A la Sombra del Roble: la Empresa Privada Familiar y su Continuidad*. Ohio: Editorial Universitaria para la Empresa Familiar.

Poza, E., Alfred, T., & Maheshwari, A. (1997). Stakeholder perceptions of culture and management practices in family and family firms—A preliminary report. *Family Business Review, 10*, 135–156.

Raelin, J. (2001). Public reflection as the basis of learning. *Management Learning, 32*, 11–30.

Ravasi, D., & Schultz, M. (2006). Responding to organizational identity threats: Exploring the role of organizational culture. *Academy of Management Journal, 49*, 433–458.

Riordan, D., & Riordan, M. (1993). Field theory: An alternative to systems theories in understanding the small family business. *Journal of Small Business Management, 31*, 66–78.

Robinson, S., & O'Leary-Kelly, A. (1998). Monkey see, monkey do: The influence of work groups on the antisocial behavior of employees. *Academy of Management Journal, 41*, 658–672.

Rosenblatt, P., Demik, L., Anderson, R., & Johnson, P. (1985). *The family in business: Understanding and dealing with the challenges entrepreneurial families face*. San Francisco: Jossey-Bass.

Sathe, V. (1985). How to decipher and change corporate culture? In R. Kilman, M. Saxton, R. Serpa, & Associates (Eds.), *Gaining control of corporate culture* (pp. 230–261). San Francisco: Jossey-Bass.

Scase, R., & Goffe, R. (1980). *The real world of the small business owner*. London: Groom Helm.

Schein, E. (1988). *La Cultura Organizacional y el Liderazgo: Una Visión Dinámica*. Barcelona: Plaza y Janés.

Schein, E. (1996). Culture: The missing concept in organization studies. *Administrative Science Quarterly, 41*, 229–240.

Scott, W. (1995a). *Institutions and organizations*. Thousands Oaks: Sage Publications.

Scott, W. (1995b). Introduction: Institutional theory and organizations. In: W. Scott & S. Christensen (Eds.), *The institutional construction of organizations* (pp. 11–23). Thousands Oaks: Sage Publications.

Shamir, B., House, R., & Arthur, M. (1993). The motivational effects of charismatic leadership: A self-concept theory. *Organization Science, 4*, 1–17.

Shaw, M. (1994). *Dinámica de grupo: Psicología de la conducta de los pequeños grupos*. Barcelona: Herder.

Shaw, R. (1997). *Trust in the balance*. San Francisco: Jossey-Bass.

Simon, H. (1997). *Líderes en la sombra*. Barcelona: Planeta.

Smith, E., Murphy, J., & Coats, S. (1999). Attachment to groups: Theory and measurement. *Journal of Personality and Social Psychology, 77*, 94–110.

Sorensen, J. (2002). The strength of corporate culture and the reliability of firm performance. *Administrative Science Quarterly, 47*, 70–91.

Sorenson, R. (1999). Conflict management strategies used by successful family business. *Family Business Review, 13*, 183–200.

Sorenson, R. (2000). The contribution of leadership style and practices to family and business success. *Family Business Review, 13*, 183–200.

Sosik, J. (1997). Effects of transformational leadership and anonymity on idea generation in computer-mediated groups. *Group and Organization Management, 22*, 460–487.

Sosik, J., Potosky, D., & Jung, D. (2002). Adaptive self-regulation: Meetings others' expectations of leadership and performance. *The Journal of Social Psychology, 142*, 211–232.

Sparks, J., & Schenk, J. (2001). Explaining the effects of transformational leadership: An Investigation of the effects on subordinates. *Journal of Organizational Behavior, 22*, 849–867.

St. James, H. (1999). What can the family contribute to business? Examining contractual relationships. *Family Business Review, 12*, 61–72.

Steier, L. (2001). Family firms, plural forms of governance, and evolving role of trust. *Family Business Review, 14*, 353–368.

Stinnett, N. (1983). Strong families: A portrait. In D. Mace (Ed.), *Prevention in family services* (pp. 27–38). Beverly Hills: Sage.

Stinnett, N. (1986). *Building family strengths: A manual for families*. Lincoln: University of Nebraska.

Stinnett, N. (1992). Strong families. In J. Hemslin (Ed.), *Marriage and family in a changing society* (pp. 496–506). New York: The Free Press.

Tagiuri, R., & Davis, J. (1992). On the goals of successful family companies. *Family Business Review, 5*, 43–62.

Tagiuri, R., & Davis, J. A. (1996). Bivalent attributes of the family firm. *Family Business Review, 9*, 199–208.

Tajfel, H., & Turner, J. (1985). The social identity theory of intergroup behavior. In S. Worchel & W. Austin (Eds.), *Intergroups psychology relations* (2nd ed., pp. 7–24). Chicago: Nelson Hall.

Trostel, A., & Nichols, M. (1982). Private-held and publicly-held companies: A comparison of strategic choices and management processes. *Academy of Management Journal, 25*, 47–62.

Viator, R. (2001). The relevance of transformational leadership to nontraditional accounting services: Information systems assurance and business consulting. *Journal of Information Systems, 15*, 99–125.

Viedma, J. (1990). *La excelencia empresarial española*. Barcelona: Viama Editors.

Walumbwa, F., Wang, P., Lawler, J., & Shi, K. (2004). The role of collective efficacy in the relations between transformational leadership and work outcomes. *Journal of Occupational and Organizational Psychology, 77*, 515–530.

Ward, J. (1988). The special role of strategic planning for family businesses. *Family Business Review, 1*, 105–117.

Ward, J. (1991). *Creating effective boards for private enterprises: Meeting the challenges of continuity and competition*. San Francisco: Jossey Bass.

Ward, J., & Aronoff, G. (1991). Trust gives you the advantage. *Nation's Business, 79*, 42–44.

Yammarino, F., & Bass, B. (1990). Long term forecasting of transformational leadership and its effects among naval officers: Some preliminary findings. In: K. Clark & M. Clark (Eds.), *Measures of leadership* (pp. 151–170). West Orange: Leadership Library of América.

Zucker, L. (1977). The role of institutionalization in cultural persistence. *American Sociological Review, 42*, 726–743.