Guest Editors' Introduction to the Special Issue on Family Business

Linda S. Niehm · Jane L. Swinney

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This special issue of the *Journal of Family and Economic Issues* focuses on the operation of family businesses and their response to environmental conditions of adversity and change, as well as family relationships such as daughter succession, and intermingling of family and business resources. The seven papers reflect the breadth of family business firms operating around the world. They represent a variety of methodologies, modes of analysis, and theoretical models for examining the family firm. The data were collected from divergent sources ranging from case studies to the use of national samples of family firms. Each paper contributes to a more rich understanding of the family business research stream.

The lead paper for this special issue by Yilmazer and Schrank uses systems theory to explain the financial interaction between small businesses and owning households. The authors merge literatures on financial bootstrapping and intermingling of small family businesses to provide a holistic understanding of business and household finances. In this critical review the authors discuss successful financing of a small business when owned by a household member. Key conclusions include that the health of the household affects the business, and that the use of owner resources is beneficial for family firms, but not advantageous for households.

L. S. Niehm (✉)
Department of Apparel, Educational Studies, and Hospitality
Management, Iowa State University, 1066 Le Baron Hall,
Ames, IA 50011-1120, USA
e-mail: niehmlin@iastate.edu

J. L. Swinney (✉)
Oklahoma State University, 445 HES Building,
Stillwater, OK 74078, USA
e-mail: jane.swinney@okstate.edu

Pushkarskaya and Marshall's research investigates a sample of rural households in Kentucky comprised of different family-farm systems (single females, single males, older farm couples, younger farm couples, married older farmers living with younger family members, and married younger farmers with children) to study the economic impact on business decisions following the tobacco buyout. The authors use both the Sustainable Family Business Model and Agricultural Household Model to analyze family-farm decision processes. The authors found the Sustainable Family Business Model to be a better predictor of family-farm adaptation to change from a current mode of operation to a different operational choice strategy. Analysis of correlations between family and farm business decision components aided in differentiating the effectiveness of alternative choice strategy models for farm families.

The paper by Distelburg and Blow uses a dual General Systems Theory and Eco-systems perspective to explain that family businesses function better when they identify the value orientation of their business and align their resources towards these values. The author collected data from 11 family businesses and compared their responses with a national sample from the American Family Business Survey (AFBS). This paper also analyzed value systems in relation to family-first family businesses and business-first family businesses. Findings reveal that individuals in a family business are more satisfied with their business when personal values are consistent with the values set for the business.

Stafford et al emphasize the importance of resources that move between the family and the firm during times of change. In their paper, the authors used National Family Business Panel data and Spatial Hazard Events and Losses Data for the U.S. to identify factors influencing family

business survival in the face of disaster. Findings were analyzed by applying a parametric duration model and the Sustainable Family Business Theory. Family income derived from the business, owner's experience, family processes during change, and business stability were all found to impact long-term business survival. Results from this study suggest that the period of survival for family owned businesses in economically weak communities increases when business operational values and practices are closer to the owner-manager's way of life.

Lee, Jasper and Fitzgerald employed data from the 1997 and 2000 National Family Business Surveys to compare business success and profit growth for family firms managed by males and females. The study was framed by the Sustainable Family Business Theory. The authors also used human, social, and financial capital perspectives to explain similarities and differences in performance outcomes between male and female owned businesses. Their results suggest that female owner-managers perceived their businesses to be more successful over time. Further, female run businesses showed an increased percent change in profit growth in comparison to male owned firms for the same time period.

Daughter exclusion in family business succession is addressed in Wang's critical review. The author indicates that daughter's abilities are underestimated, unrecognized, and under-utilized in the family succession hierarchy. The study employs a content analytic approach to summarize previous research for information on the topic of daughter succession. Resulting data were assessed for emergent themes related to family business succession. The author uses these themes to aid in identifying gaps in the literature and potential directions for future research. Findings suggest that overlooking the potential of daughters as successors to a business would leave sub-optimal choices for successions, and also exclude daughters from involvement in the family business.

In the final article, Glover's research addresses how family members respond when their business operations are faced with critical changes. This paper applies Bourdieu's theory of capital to explore how different forms of capital—economic, cultural, social and symbolic, are used by family businesses under adverse conditions. Qualitative data were collected over a five year period from UK family farm businesses using a case study approach. Data were

analyzed for emergent themes which were subsequently utilized for the development of grounded theory. Findings suggest that crisis conditions negatively affected the family businesses in these case studies due to depleted economic capital. However, social capital also was an important factor in the family's ability to cope with each crisis situation. The author used a 'capitals perspective' to conclude that in adverse situations, business and family support one another to function smoothly and sustain operation.

We thank the dedicated group of 16 reviewers for their help in providing detailed suggestions for the authors. These comments helped each author to improve the presentation of their findings and usefulness to readers. The reviewers for this special issue of the *Journal of Family and Economic Issues* are as follows:

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