


Emotional Ownership: The Next Generation's Relationship With the Family Firm

Family Business Review
25(4) 374-390
© The Author(s) 2012
Reprints and permission:
sagepub.com/journalsPermissions.nav
DOI: 10.1177/0894486511432471
http://fbr.sagepub.com


Åsa Björnberg¹, and Nigel Nicholson¹

Abstract

“The Next Generations” in family firms are the key to the survival of the sector, yet gaps remain in the knowledge about their relationship with the firm. This research focuses on the determinants of this relationship. The concept of emotional ownership emerged as an explanatory variable in a qualitative study, followed by a quantitative study, where the authors report the development of a robust measure and identify its key predictors using a large sample. Results include confirmation that emotional ownership is orthogonal to actual ownership, yet an outcome of behaviors, structures, and strategies within the control of families and their firms.

Keywords

attachment, emotional, family business, measure, next generation

The survival of family firms depends on the involvement and inclusion of next generation (NxG) family members. Whether as employees or owners, the NxG's commitment and willingness is the key to the continuity of the family firm. Family business scholars have devoted much attention to intergenerational transitions in the family firm (Handler, 1994). Indeed, NxG members are among the groups of stakeholders in the family firm that have received most attention from researchers (Sharma, 2004). Commitment among NxG members has emerged as one of the key factors that contribute to the effective and smooth succession of leadership (Sharma & Irving, 2005). Presumably, NxG commitment would also favor the ownership succession process, although the literature remains silent on that point. The family business literature is also mute with regard to the factors that precede such commitment and motivation. In this article, we argue that the antecedents of commitment and willingness to become a full-time member of a family business can be traced back to the psychology of the relationship between the individual and the family business system, consisting of family, business and ownership. We turn to two sources to

illustrate how this commitment builds in the particular context of the family enterprise. First, we provide an overview of pertinent issues relating to the NxG in the family business literature. Second, guided by the results of a qualitative study of the NxG in family firms (which we describe in detail in subsequent sections), we examine two fundamental criteria that shape the relationship between the individual and the organization—social identity and attachment. Here, we call on the literature of organizational behavior. Third, we amplify and analyze key questions about the nature and predictability of emotional ownership (EO) through the quantitative study. Our final discussion focuses on the implications of our findings for practitioners and for theoretical conceptions of intergenerational relationships in family businesses.

¹London Business School, London, UK

Corresponding Author:

Åsa Björnberg, London Business School, Regent's Park, London, NW1 4SA, UK
Email: abjornberg@london.edu

Research on the Next Generation in Family Firms

The majority of studies that integrate the NxG in family-owned enterprises focus on succession, especially leadership succession. An overview of the literature generates three main streams of research in this area: (a) attributes of successors, (b) the “success factors” of succession, and (c) relationships and difficulties associated with the succession process. Since it is beyond the scope of this article to provide a comprehensive overview of the research on succession and NxG continuity, we will provide a brief outline of these three streams in the following section.

Attributes of successors. Research focusing on the attributes of successors confirms that commitment is a critical component in situations of intergenerational transfer of leadership (Chrisman, Chua, & Sharma, 1998; Deloitte & Touche Centre for Tax Education and Research, 1999; Handler, 1989; Sharma & Irving, 2005; Sharma & Rao, 2000). Indeed, dissatisfaction and lack of motivation among potential successors have been cited as factors obstructing succession within the family (De Massis, Chua, & Chrisman, 2008). Committed family members are more likely to become professionally engaged in their family firm, cooperate in through the leadership transition, and experience higher levels of satisfaction with the succession process (Dyck, Mauws, Starke, & Mischke, 2002; Handler, 1989; Sharma, 1997).

The “success factors” of succession. Scholars are in general agreement that succession is not a singular event, but a series of change processes in the relationship between the individual successor(s), the family, and the organization, extending over a period of time. In this way, succession can be viewed as a protracted change management process involving several stakeholders. Among the multiple steps involved in this process, the transfer of unique but implicit resources has received attention in the research as a specifically challenging aspect, which is also key to its long-term success (Cabrera-Suarez, De Saa-Perez, & Garcia-Almeida, 2001; Higginson, 2010). This includes new successors’ capacity and methods for managing social capital (Steier, 2001). Light has been shed on what determines NxG family members’ satisfaction with the succession process (Sharma, Chrisman, Pablo, & Chua, 2001), which can be viewed as one marker of its success. Ethnic subcultures in American society have been found to

facilitate intrafamily succession through the presence of a strong identity, felt commitment, and an emphasis on familism (Perricone, Earle, & Taplin, 2001). A number of “best practices” for succession have been articulated in the research (e.g., Chrisman et al., 1998), and specific tools used to facilitate succession include strategic planning tools (Mazzola, Marchisio, & Astrachan, 2008) plus planned behavior (Sharma, Chrisman, & Chua, 2003) have been formulated.

Relationships and difficulties in the context of succession. Trends within families toward becoming more democratic and emphasizing individual autonomy in the succession process (particularly with regard to ownership) have made the perpetuation of the family firm more difficult (Gilding, 2000). Difficulties associated with the succession process may arise when life cycle stages in the family are misaligned and when members are anxious, creating resistance to change (Dunn, 1999). Relational factors that impede successful succession also include lack of trust, lack of motivation on part of the successors, incumbent or other family members (De Massis et al., 2008). Inability on the part of the founder to let go, and the difficulty for the successor to operate in the shadow of the founder lead to conflicts, especially in second generation businesses (Davis & Harveston, 1999).

These research strands have enriched our understanding of arguably the greatest challenge faced by family firms. Despite these findings, there is a lack of systematic research on the psychological components that characterize the NxG family members’ relationship with their family firms. Primarily, samples included in this line of research include almost exclusively NxG members who are already involved in the process of succession. As a consequence, very few studies take a step back and look at the relationship between the NxG member and the business regardless of whether they are involved in the succession process. How these family members relate to the family business holds the key toward explaining the wider motivation and commitment in the NxG of not only managers but also owners.

This becomes especially important in the context of demographic and cultural change, where fewer competent and willing potential family executives may be available. Given the importance of the NxG’s attitude toward the family firm, there is a need to assess their relationship with the family business, and to understand better what shapes these attitudes. As has been observed, “The pursuit of understanding the extent of interest of

next-generation members in their firms and the best mode for getting these individuals involved . . . must continue” (Fienege, Prince, & File, 1996, as cited in Sharma, 2004, p. 20). Questions that remain unaddressed include the following:

- What are the psychological antecedents of the relationship between the NxG family members and the family firm?
- How do family dynamics affect this relationship?
- What makes the relationship stronger, and what weakens it?
- On a practical level, what can firms do to nurture the relationship?

This article seeks to address these questions using findings from two studies, undertaken with the objective of systematically exploring the relationship between the family firm and the NxG family member. The first study consisted of a qualitative study based on in-depth interviews from with 56 NxG members drawn from 8 contrasting family business cases in the United Kingdom. Findings from this study precipitated the launch of a wide-scale, international survey to elucidate the emotional aspects of the relationship between the NxG and the family enterprise, which had emerged as critical factors in the first study.

The unique contributions of this article are twofold: (a) Its focus on the relationship between the NxG member and the firm, regardless of what stage (if any) they are in the succession process. In fact, the majority of our sample was not working in the family business at the time of the survey. (b) It seeks to illuminate the psychological components of this relationship. This is theoretically important, since it concerns how interest and commitment toward the family firm is formed in the NxG. On a practical level, it is important because it will generate applicable knowledge about how the bond can be strengthened.

Study I: Qualitative Interview Investigation

Study I: Sample

Our sampling strategy for the first study was a multicase approach, designed to maximize variety. Cases were selected to vary firm maturity, size, and sector, assuming

that family issues would be uniquely conditioned by these contrasts. A total of eight firms participated (see Table 1). The sample was derived from the researchers’ network of firm contacts from previous surveys and via the Institute for Family Business, the U.K. chapter of the Family Business Network. Our definition of “family business” in this study was based on the fulfillment of three criteria: (a) majority ownership of the business held by family members, (b) the inclusion of at least one family member in a top management team executive role, and (c) the firm identifying itself as a family business. Our working definition of an “NxG member” was derived from the family business leaders who constituted our main contacts for each case. They were asked to identify all NxG members in the family.

Study I: Method

In each case, we interviewed a senior family member working in the firm and as many NxG members as we could access from each extended family, including spouses. Interviews were all conducted by telephone, following a semistructured interview protocol (Ibarra, 1999). Interviews with family leaders had the aim of gathering background data regarding the history and structure of the family and the family business. In addition to basic descriptive facts about the business and its governance, we gathered data on issues around family history and climate—especially the latter (Björnberg & Nicholson, 2007), specifically around how close and cohesive is the family, how it communicates, solves problems, and how authority is exercised internally. In the (three) cases where the family leader and NxG member were the same person, two separate interviews were conducted. In total, we conducted 56 interviews, including a small number of repeat interviews. The age range was wide, from 16 to 46 years. Most interviews were around 45 minutes in length.

Data analysis. Data were analyzed following the procedures commonly used in qualitative data analysis (Eisenhardt, 1989; Miles & Huberman, 1994; Yin, 1984). Interview transcripts and field notes were coded for common themes. As a first step, open coding was undertaken to extract common themes from the transcripts. The second step comprised the formation of categories. The final coding phase was one of inductive theorizing, where subcategories were tested against relevant theories iteratively. In this process, coherence with the extant literature was an important criterion

Table 1. Cases in Study 1 by Type, Age, Size, and Turnover

Type	Generation	Size (employees)	Turnover (£)	No. of respondents
Owner-managed	G1/2	60—small	2.5 million	4
“Recycled” owner-managed	G1/2	125—medium	22 million	5
Sibling partnership	G2	10—small	550 thousand	9
Cousin consortium	G5/6	50—small	3.5 million	10
Sibling partnership	G3	1,400—large	243 million	5
Sibling partnership	G2/3	2,800—large	500 million	11
Cousin consortium	G4	800—large	48 million	5
Cousin consortium	G4	1,250—large	39 million	7

(Agar, 1986). Three subcategories of EO emerged through this process (emotional value, overlap between self and business, and inclusion–exclusion), which subsequently were refined to the two-dimensional scale reported later in this article.

Study 1: Results

Several themes relating to the NxG’s relationship with the family firm emerged from the interviews. For the purposes of this article, we will focus on themes emerging around emotional aspects of their relationship with the family business. Responses centered on two main topics. First, participants spoke of the emotions associated with being part of a family business in general, emanating from their ownership status in particular. There was wide variation expressed by the interviewees in their experienced emotional closeness versus distance, but the common thread was the presence of this emotional bond. The second topic was the overlap and gap between the self with the family business system. Being part of the family business often appeared to be relevant to the participants’ identity. Growing up in the family business system was reported as having shaped participants’ definition of self. Both themes were deeply embedded in interviewees’ stories about family relationships, frequently featuring parent–child relationships and childhood experiences. We were struck by the consensus around the chosen topics and the language used by the interviewees.

The following sections contain qualitative samples of interviewees’ experience as they reported them, illustrating thematic components of the bond. Excerpts selected feature their expression of emotional closeness–distance and belongingness.

Emotional value. Very few interviewees talked about the financial aspect of ownership, and where they did, it was accorded minor significance. Instead, the emotional value of the relationship was prominent.

Male, age 23: [Being an owner] means a lot. For emotional reasons more than anything else. Finances play quite a small role—dividends are quite small . . . I use the word guardianship, a feeling of guardianship. My mom’s mom was widowed quite young, and I was close to [her] . . . I have childhood memories of learning how to drive on [the site] . . . People who are in these memories have worked in the business or are related some way . . . at one point the business was a big employer. There are retired people who knew me as baby, they knew my mom . . .

Several respondents articulated that they viewed their ownership primarily in nonmonetary terms, claiming that the ownership represents “sentimental value” that the money was “paper wealth” or even “fiction in my bank account,” regardless of the actual size of the wealth. Statements made by individuals with a high degree of emotional connectedness but no other stake in the business suggested that actual share ownership need not be a prerequisite for this emotional bond.

Identification: Overlap of self and family firm. Integration in the family business started at a very early age for many NxG members in our sample. Often, the family business premises functioned as a “second home” or business was actually conducted in the family home. In one of our cases, one of three sons highlights this experience. He had taken part in family business activities from when he was tall enough to “reach the pedals”

(operate the machinery) and able to answer business calls in the family's home. The way the father (and founder of the business) had trained the sons in his own mould reflected the deep level of identification that took place between NxG members and the business—which in their eyes was personified by the father. They described themselves as “clones” of the founder. These young members saw very little separation between the family business and their father—essentially, they were one and the same. As such, their relationship with their father was through the business, and vice versa. This family experienced a high degree of emotional closeness, and this was reflected in their perception of their ownership stake. Ownership was perceived among the brothers as “a group thing,” and that the family operated on “a team approach.” As one of them put it: “I don't look at it as ownership—I look at it as the key to be in the team.” Thus, belongingness to the group was instrumental in how ownership was experienced.

Inclusion versus exclusion. Defining one's experience of ownership through a relationship with a significant other (usually a parent) was not always a positive experience for NxG members. In the following quote, the experience was expressed as fraught with exclusion and discrimination.

Interviewer: What is it like to be a next generation owner in the family business?

Respondent, female, age 40: Lots of complicated emotions . . .

Interviewer: Just off the top of your head?

Respondent: Chauvinism. My father never wanted me to do it because I'm a girl. It was difficult. Ironically I consider myself to be the most well-balanced [in the family]. I got on with [my life]—I had nothing to do with how he wanted [me] to be involved. It was out of my control, I was not involved; I have not been contributing to it.

The words used by interviewees revealed a pattern of emotional relating that spanned over a wide range, varying from detachment to strong attachment—at times even within the same family. Whereas a relatively problem-free family history was consistently associated with a strong emotional attachment, splits and family conflicts in the family history seemed to have a contrast effect—creating either distancing or a heightened emotional

bond. In one case, a conflicted family history had created a deep rift between members who worked and did not work in the business. This pattern appeared to reflect the sharp contrast between the hardship that the business emerged from, and the affluence that certain NxG members now enjoyed. Those NxG not working in the family business, who had much lower levels of wealth, felt excluded. The eldest daughter in particular actively disidentified with the family business, overtly rejecting its values and beliefs. Her sense of exclusion was also reflected by her brother's experience:

Male, age 36: . . . The family business is the support thing for the family, but there are undercurrent unspoken things to deal with—trust and don't trust—I'd like to come on board, however I would not feel welcome. It's a double standard—fake smiles welcoming but the truth is I think you think that there is a potential threat here. That I might take your work from you and your control—to have a say about what's going on. Even if I did and we had an agreement and acknowledgement, it runs very deeply. The family went through an incredible ordeal to survive—[founded] by my mother as a single mother. That background of survival becomes an instinct. . . . [my brother] would feel even more strongly on this issue. He felt excluded. Myself, I also felt excluded.

These views were in sharp contrast against the insiders' experience (an NxG member who worked in the family business), which featured a strong and positive bond.

Similarly, family rifts caused attachment to fade. A troubled family history in another case had the following effect on the sisters of one family:

Female, age 28: I don't feel that connected to it—slightly removed . . . No happy memories. [The business] divided my mum's family. Family business is very stressful, it rubbed in on me . . . I don't feel like I'm a next generation.

Female, age 30: You can take it too seriously . . . it's human nature—[you have to] learn not to take things personally—[if you] take on too much, you over-identify with the business.

Contrastingly, firms that had suffered no major family conflict were able to contribute a more positive worldview and a source of identity among its NxG members via its family heritage. This is illustrated by the following quote:

Female, age 38: [the family business] reflects on how we were brought up. Grandpa was a laborer, that is how it started. The family—G1—was very working class. G2 was brought up to appreciate things. My mum and dad are very grounded people . . . use [the family business] to enhance what's important in life—the family and relationships and friends . . . it's not how wealthy you are it's your love and support that [counts].

Table 2 provides a summary of the statements and typical language used by the participants, linking them thematically to illustrate the bond between the NxG and the family firm.

Study 1: Discussion

This collection of themes converges around experiences and sentiments around the NxG's degree of attachment–detachment and identification with the firm, in terms of closeness–distance. It also converges around the overlap between the self with the family business system and its subcomponents, described in terms of identification–differentiation. Narratives around the two themes were inextricably intertwined with the family history in general, and their relationships with significant others in particular—in most cases parent–child relationships. Reflections around ownership evoked statements about the central role of the family business in the child's upbringing, which often were highly emotionally charged. This led us to theorize that the close connection between thoughts around ownership and actual family relationships may represent an extension of the attachment that children and adults develop toward significant others in the family business system. However, rather than reflecting an actual relationship with another person, it is the representation of those specific relationships that appear to provide the template for the bond that exists as a form of attachment to the firm itself.

A second key component emerged from participants' testimonials. We theorized that perceptions of ownership are cognitively and emotionally interwoven with

the process of forming and maintaining an identity based on belongingness to a social group. This was derived not only from the expressions around exclusion and inclusion with regard to living family members but also from statements around belonging to a collective history of previous generations. The shared history and current relationships provided an overlap between the individual and the group. The “family business” as a social group thus represents a special entity to which the individual can belong or be disassociated from. This belongingness seemed to be shaped by the dynamics of cohesion and attachment among members in the family. We also saw that working and contributing to the family business to some extent dictated the strength of the bond.

Research on Attachment and Social Identity in Organizations

Guided by the initial results, we examine two fundamental criteria that emerged and appear to shape the relationship between the individual and the organization—attachment and social identity. On discovering how integral these two concepts—which both figure strongly in family psychology—are in the relationship between the NxG and the family firm, we take a close but brief view of how these concepts have been researched and in the extant literature.

Attachment. Attachment derives from the developmental work of Bowlby (1969, 1973, 1980), who conceived of closeness–distance as an indicator of relationship quality or bond between an individual and an attachment figure. In childhood, the availability and responsiveness of supportive others result in a sense of security, whereas absence and unresponsiveness of others result in insecurity (Mikulincer & Shaver, 2005) expressed as anxious or avoidant behavior.

Although most of the literature on attachment has historically been conducted in family and small child settings, the concept has been successfully applied to adults. More recently, the role of adult attachment in organizational life has attracted attention in the literature. For example, secure attachment has been linked to better work life satisfaction (Hazan & Shaver, 1990), whereas anxiety and avoidance are associated with lower levels of organizational commitment (Mikulincer & Shaver, 2007). Avoidance is also linked with a higher intention to quit (Mikulincer & Shaver, 2007).

Table 2. Frequently Used Language and Expressions by Participants in Study I

Theme	Frequently used language/expressions
Emotional attachment	
Closeness	“Emotional tie,” emotional attachment,” “belonging,” “inclusion,” “involvement”
Distance	“distance,” “exclusion,” “removed”
Overlap of self and family business	
Identification	“We are clones” “Overidentify with the business” “My dad/my family is the business” “Hard to separate” “Intrusive,” “personal” “No clear differentiation” “More than me” “It’s we rather than me”
Business overlapping with childhood memories	“History” “Future” “Second home” “Ownership reflects the way we were brought up”

Attachment predicts instrumental coworker helping behavior (Geller & Bamberger, 2009). Anxiety and avoidance predict emotion regulation behaviors, turnover intentions, and supervisory reports of counterproductive work behaviors and organizational citizenship behaviors (Richards & Schat, 2011). In summary, the impact of attachment on attitudes, behaviors, and emotions in the organizational context is quite substantial. However, few contemporary scholars have focused on the role of attachment in settings where family members are also coworkers and intrinsically linked with the organization through ownership.

Social identification. The other element of EO is social identification, defined as “a perception of oneness with or belongingness to some human aggregate” (Ashforth & Mael, 1989, p. 21). Social identification captures how much the individual regards his or her fate as intertwined with a specific group or category that the individual classifies himself or herself as belonging to, experiencing its success or failure as one’s own. Organizational identification is regarded as a specific form of social identification. Members’ organizational identification is essential to the success of many organizations (Pratt, 1998). Outcomes include organizational commitment, the internalization of values, and assessment of the group in positive terms (Turner, 1982, 1984). Furthermore, organizational identification is positively related to individuals’ affective organizational commitment, job and organizational satisfaction,

job involvement, organizational loyalty, occupational and work group attachment, and extra-role behavior and negatively related to individuals’ intent to leave the organization (Adler & Adler, 1988; O’Reily & Chatman, 1986; Riketta, 2005; Riketta & Van Dick, 2005).

Current research in organizational identification has made significant progress by illuminating different identity orientations that link an individual’s identity with others: self (e.g., I belong to a prestigious organization), relational (e.g., my boss develops his/her employees), and collective (e.g., my organization improves its community; Brewer & Gardner, 1996; Brickson, 2005; Flynn, 2005; Kreiner & Ashforth, 2004; Sluss & Ashforth, 2007). Scholars acknowledge the “personal bonds of attachment” in constructing identity, thereby placing the importance of social relations in organizational identification at its core (Brickson, 2005; Sluss & Ashforth, 2007). These relations remain, by and large, an act of abstract categorization by individuals in their studies, suggesting that “identification can exist in the absence of interpersonal interaction and group cohesion” (Cardador & Pratt, 2006, p. 175; Friedkin, 2004, p. 414). Even if studies focus on relationships, they often fail to measure interpersonal relationships (Brewer & Gardner, 1996; Brickson, 2005). Few scholars measure social relationships and their influence on individuals’ organizational identification; the role of social relations remains an important gap in organizational identification (Jones & Volpe, 2011). Through the inclusion of

interpersonal relationship measures, this study attempts to contribute to the filling of that gap.

Emotional Ownership

We use the phrase *emotional ownership* (or EO) to refer to this phenomenon, as the words “emotional” and “ownership” were frequently used by participants in the same sentence. This combination of words conveyed a sense of ownership that was a matter of sentiment, associated with belongingness and attachment beyond the monetary significance of the ownership bond, in which the family had a central role. Because of the critical influence of the family and its legacy in the narratives pertaining to the relationship between the NxG family member and the business, we concluded that what had emerged from the data was a concept that is related to similar concepts in the literature, such as psychological ownership, but with important distinctive connotations. In developing and defining this emerging concept, our aim was to build on extant theoretical constructs, yet simultaneously emphasize this unique nuance of the phenomenon as it emerged from our respondents. We viewed the EO concept as a not-so-distant cousin to related constructs, but with enough differentiating features for it not to be a redundant neologism. In summary, the phenomenon constitutes an incremental addition to the literature, describing the bond between individual and organization in the *family business context*.

Related concepts from the management literature are social identification (Ashforth & Mael, 1989; Tajfel, 1982), psychological ownership (Pierce, Kostova, & Dirks, 2001), and affective organizational commitment (Meyer & Allen, 1991). Reference to psychological aspects of ownership is made in the family business literature, but needs further elaboration on the individual level. Gómez-Mejía, Táakacs Haynes, Nuñez-Nickel, Jacobson, and Moyano-Fuentes (2007) use the term *socioemotional wealth* in reference to “the non-financial aspects of the firm that meet the family’s affective needs, such as identity, the ability to exercise family influence, and the perpetuation of the family dynasty” (p. 106). This affective endowment of family owners is said to explain a range of core managerial choices of family firms, including strategic direction, governance structures, stakeholder relations, and entrepreneurial focus (Gómez-Mejía, Cruz, Berrone, & De Castro, 2011). What the EO concept adds

to the existing concepts is a blend of attachment and identification with a business and a deeper understanding of the individual, psychological processes that are encompassed in this bond.

Although EO has in common with psychological ownership and affective organizational commitment some important elements such as reference to the self and self-identity in relation to the organization plus a focus on the psychological tie between the individual and the object, there are fundamental differences between the concepts. The conceptual core of psychological ownership is described as possessiveness, a state “. . . in which individuals feel as though the target of ownership (material or immaterial in nature) or a piece of it is “theirs” (i.e., it is MINE!) . . .” (Pierce et al., 2001, p. 299). Although originally derived from expressions around ownership, possession is not part of our definition of EO. Rather, we regard EO as a cognitive and affective state of association that describes a (young) family member’s attachment to and identification with his or her family business (Nicholson & Björnberg, 2008, p. 32). In the language of participants, EO connotes not so much possession as a sense of overlapping boundaries between the social entity of the family business and the self. It is a sense of self that extends from family membership to include belongingness to the family business. It builds on a history and a shared meaning that the individual has obtained from being brought up in a family business environment. In this setting, the child develops attachment to significant others, by proxy forming a special bond to the family business. Neither psychological ownership nor affective commitment captures these key aspects of the relationship.

EO is akin to how Meyer and Allen (1991) describe affective organizational commitment, which is “the employee’s emotional attachment to, identification with, and involvement in the organization.” (p. 67). Despite similar wording, the concepts differ in several respects. First, affective commitment connotes the relationship between the *employee* and the organization and that is largely the outcome of work experiences (Meyer & Allen, 1991). We seek a broader focus, not dependent on employment experience. Second, we construe commitment as an outcome or an antecedent of EO, consistent with social identification (Ashforth & Mael, 1989; Turner, 1982, 1984) and evidence of its functioning in the family business arena (Sharma & Irving, 2005). Third, core to commitment is intention, captured by the

desire to remain affiliated with the target organization (Pierce et al., 2001). We wish to avoid this implication, for the bond between NxG members and the family business can be free of any intention.

Study 2 was conducted with the aim of transforming identification and attachment seen as the core components of EO into a measurable scale and to establish the antecedents of this emerging concept.

Study 2: Quantitative Survey

Study 2: Sample and Procedures

A total of 960 participants were recruited for the survey using the snowball technique. This involved engaging network contacts and gaining access to their contacts. This was done primarily in the family business world (primarily nonprofit family business service organizations) and in academia. Being an “NxG member” is not an age category but a status definition, so we applied no “cutoff” to the age of participating NxG members, asking the participants self-select as NxG members of their family business. Self-selection thus formed the basis for both “NxG” and “family business” in this study.

The online survey was trialed on 41 NxG to check length and face validity of the questionnaire content. Network collaborators were contacted and asked to forward an e-mail with a link to the online survey and a short description of its purpose and content.

The majority of the participants were in the 31 to 40 years age group. In all, 37% of the sample was female. Half (52%) of them did not work in the family business, and 48% did not hold share equity. A total of 55% were European, and the remainder split fairly equally between Asia and the Americas. More than half (55%) of the participants had a college degree; 44% a degree in higher education. One third of the sample had an MBA. In terms of business profiles, the sample was relatively young, with slightly more than half belonging to the second generation of ownership.

Study 2: Measures

Emotional ownership. Since we deemed EO to be distinctive from currently available constructs, and based on the findings of Study 1, we opted to create new scales to assess its viability. Items for this scale were developed based on the themes from the first study, with focus on attachment

and identification at the core. Because of the unique inclusion of family as a determining factor in its formulation, we opted to develop items based on attachment theory, gauging levels of closeness and caring (Hazan & Shaver, 1990) as well as social identity theory (Ashforth & Mael, 1989). The scale has eight items (listed in Table 3). An exploratory factor analysis with principal component analysis (PCA) yielded one factor explaining 50% of the variance, thus confirming the construct validity of the scale. Reliability analysis produced an alpha of .848.

Family climate. From the participants’ narratives, it was evident that family dynamics and relationships played an important part in determining the quality of the NxG’s relationship with the family business. This led us to our first proposition.

Proposition 1: Family climate is positively associated with emotional ownership in the next generation.

To assess this reliably, we included a measure of family climate in the proposed model. This was a truncated version of the original Family Climate Scale (Björnberg & Nicholson, 2007) containing five items on a 5-point Likert-type scale (1 = *disagree strongly*, 5 = *agree strongly*) measuring positive aspects of family climate. Items cover intergenerational attention, emotional cohesion, cognitive cohesion, adaptability, and open communication (intergenerational authority was excluded). Alpha for this scale was .849. The PCA yielded one factor explaining 63% of the variance.

Family governance. Family firms differ widely in how comprehensive their governance structures are. The higher the level of family governance, the higher the likelihood that the NxG has a clear sense of belonging to the family business. The process of erecting family governance structures inevitably brings communication to the fore, where issues such as the needs of the NxG are often highlighted (Ward & Carlock, 2001). In this process, the family firm is solidified in the minds of the NxG, and their position in relation to it is made clearer. Thereby, their sense of attachment and identification with the firm may be strengthened.

Proposition 2: Higher levels of family governance comprehensiveness are associated with higher levels of emotional ownership in the next generation.

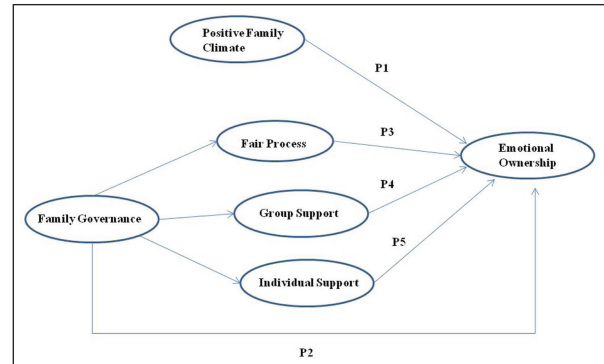
Table 3. Emotional Ownership Items

1. I feel as if I belong to the family business
2. I care about the family business
3. I feel detached from the family business (R)
4. I feel close to the family business
5. The family business is an important part of who I am
6. The fate of the family business is not relevant to me (R)
7. I identify with the family business
8. What happens to the family business matters to me

Family governance comprehensiveness was measured in terms of how many of the following governance mechanisms the family employed: formal procedures, documents, or rules regarding: (a) how NxG members join the business; (b) sale of shares or transfer of ownership; (c) family values and/or family strategy; and (d) a formal family council. It is a binary measure (values of 1 or 0), with an alpha of .831, and the PCA yielded one factor explaining 67% of the variance.

Fair process of integration. This item was included in response to comments made by several participants in the qualitative study. A strong connection exists between group members' judgment of procedural fairness and social identity (Blader & Tyler, 2009). According to relational models of procedural justice (Lind & Tyler, 1988), procedural fairness gives group members cues as to how they should evaluate the nature of their membership in terms of how safe it is to invest their social identity in it (Tyler & Blader, 2002, 2003). For the NxG of family members in family firms, a lack of fair process is associated with reduced levels of participation and commitment, leading to a breakdown of communication and potential disengagement from the NxG (Van der Heyden, Blondel, & Carlock, 2005). This is particularly important in considering the entry phase of the NxG into the firm (which is a crucial milestone in terms of group membership), typically involving instances of nepotism, sexism, as well as a lack of opportunity for the NxG to have their voice heard (Van der Heyden et al., 2005). We reasoned that firms with more sophisticated governance structures are more likely to be aware of and implement fair process in terms of integrating the NxG, which in turn is associated with higher levels of EO.

Proposition 3: Fair process of integration of the next generation is associated with higher levels of emotional ownership.

**Figure 1.** Proposed model

Fair process of integration was measured by three binary items, capturing the extent to which being (a) closely related to the senior family members running the business, (b) male, or (c) female would make any difference versus no difference in terms of joining the family business. The alpha for this measure was .626, and the PCA produced one factor (60% of variance).

Group support. Like the prior item, this item was also included to reflect comments made by several participants in the qualitative study. For attachment and identification to be built, some kind of group reinforcement is needed. Antecedents of social identity are said to include the *salience of out-groups* (Ashforth & Mael, 1989). Awareness of other groups enhances awareness of one's own group. It highlights the presence of a boundary, causing perceptions of homogeneity within the group to be enhanced. Many family firms seek to provide support for their NxG family members by encouraging them to spend time with their peers from other family firms. Attending such events provides opportunity to be exposed to other, comparable family businesses (salient out-groups), thereby strengthening the bond that exists between the NxG family members and the firm. Again, we reasoned that firms with more sophisticated governance structures are more likely to be aware of and expose their NxGs to external group support, which in turn is associated with strengthened EO.

Proposition 4: Group support for the next generation is associated with higher levels of emotional ownership.

Support offered to the NxG by the family business in a group setting was assessed using two binary items—

Table 4. Correlations Matrix

	1	2	3	4	5
1. Emotional ownership					
2. Family climate	.278**				
3. Governance	.059	.070			
4. Fair process	.078	.133**	.111**		
5. Individual support	.136**	.118**	.188**	-.060	
6. Group support	.230**	-.030	.296**	-.016	.270**

* $p < .05$ (two-tailed). ** $p < .01$ level (two-tailed).

seminars and networking activities. Reliability for this two-item instrument was established using the Spear Brown formula for split-half reliability, generating .67 (Cudeck, 2001). PCA yielded one factor (75% of variance).

Individual support. Attachment is a highly individual process that builds on personal relationships, primarily developed in childhood. Closeness–distance is an indicator of relationship quality or bond between an individual and an attachment figure (Bowlby, 1969, 1973, 1980). Although the first relationship that a young family member has with the family business occurs through the family, we can assume that attachment may develop through close contact with significant others who are not family members, but operate within the family business context. Mentors and counselors are possible attachment figures in this context.

Proposition 5: Individual support for the next generation is associated with higher levels of emotional ownership.

Support offered to the NxG in an individual setting contained three binary items—counseling, mentor external to the family business, and mentor within the family business. The alpha for this measure was .668, and the PCA produced one factor (50% of variance).

The proposed relationships are outlined in Figure 1.

Study 2: Results

Correlations of the above variables are shown in Table 4.

We used structural equation modeling (SEM) to test the relationships for our proposed model. SEM is a hybrid of two statistical techniques—factor analysis and path analysis. In factor analysis, intercorrelations among measured variables are analyzed to confirm the unobserved constructs. In contrast, path analysis is a method

used to describe the correlations among a set of variables when no underlying constructs are assumed to exist (Weston, Gore, Chan, & Catalano, 2008). The combination of factor and path analysis is based on Jöreskog's (1973) outline of the generation structural equation model that consists of two parts: measurement models and structural models. Factor analysis is used in constructing the measurement models that define the latent variables—the unobserved constructs hypothesized to underlie observed variables or indicators. Structural equations specify relationships between the latent and independent and dependent latent variables.

Table 5 outlines the model fit for the hypothesized and final models. Figure 2 shows the modified and final model. Criteria for goodness of fit compare the proposed model to an independence (null) model, in which the variables are assumed to be uncorrelated with the dependents. Indices used to perform these baseline comparisons were the comparative fit index (CFI), Bentler–Bonnett or normed fit index (NFI), and incremental fit index (IFI). The rule of thumb for these indices is that values close to 1 indicate a very good fit.

Parsimony indices based on predicted versus observed covariance included the root mean square error of approximation (RMSEA), where a value of roughly .05 or less indicates a close fit of the model in relation to degrees of freedom. Other parsimony indices were PFNI and PCFI. There is no commonly agreed cut-off value for acceptability for these parsimony indices, but higher values reflect a better fit. PRATIO is the parsimony ratio—the number of constraints of the model being evaluated as a fraction of the number of constraints in the independence (null) model.

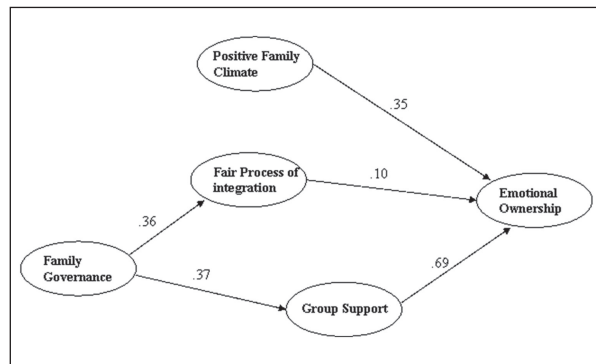
Chi-square to degrees of freedom ratio is another indicator of model fit. Here, lower ratios are better, but there is no agreed cutoff.

Table 5. Goodness of Fit for Proposed Model and Modified Model

	χ^2	df	CFI	NFI	IFI	RMSEA	χ^2/df	PRATIO	PCFI	PNFI
Proposed model	676.6***	316	.930	.878	.931	.034	2.1	.836	.778	.734
Modified model	457.5***	224	.952	.911	.953	.033	2.0	.812	.773	.740

Note. $n = 960$; df = degrees of freedom; CFI = comparative fit index; NFI = normed fit index; IFI = incremental fit index; RMSEA = root mean square error of approximation; PCFI and PNFI = parsimony adjustment to the CFI and NFI, respectively; PRATIO = parsimony ratio.

*** $p < .001$.

**Figure 2.** Final model

As can be seen in Table 5, the hypothesized model showed overall good model fit. However, the regression weight for EO on Individual Support was not significant ($p > .880$). This led us to exclude the latent variable Individual Support in order to improve to achieve improvement of the model. The modified (final) model showed significant regression results as well as improvement on the CFI, NFI, IFI, and RMSEA indices. On the basis of these results, we concluded that Proposition 5b should be excluded and that the subsequent model provided a good fit with the data.

Equity ownership and employment. Although we expect actual ownership and employment in the business to influence EO, we regard these variables as neither necessary nor sufficient conditions for the creation and sustenance of EO. Our focus here is on how the NxG's perceptions of behavioral factors within the family business system contribute to the creation of EO. Thus, we did not include ownership or employment as variables in the model. However, to control for the effect of ownership and employment status, we performed multiple regressions and model robustness tests. The multiple

regression revealed that ownership is orthogonal to EO. Employment, on the other hand, is a fairly strong predictor of EO.

Both are important findings, though the latter is somewhat predictable and not our theoretical focus in this article. We would expect the commitment and investment made by the employed NxGs to strengthen their bond with the organization, inasmuch as their attitudes are congruent with the behaviors. Further robustness tests included testing the model separately on owners, nonowners, those employed, and those not employed in the family business. Goodness of fit of the model remained acceptable for all subsamples, thus confirming the robustness of the model. From this, we conclude that employment does not obviate the influence of the other variables.¹

Discussion

This article reports on the emotional aspects of the relationship that exists between NxG members and the family enterprise. Based on the qualitative and quantitative studies, it appears that the emerging concept of "emotional ownership" is (a) conceptually viable, (b) measurable, and (c) important. Although conceptually viable, further empirical investigation regarding the observable outcomes of EO is needed to distinguish it further from related constructs.

The framing of this investigation is the intergenerational survival of family businesses, because of reduced options for family involvement and increasing competing options for the NxG. We would argue that some degree of EO is a necessary but not a sufficient condition for the continuance of the family firm. Family members who own or even take part in the management of the enterprise without any attachment to or identification

with the business are likely either not to persist or to be insufficiently engaged with the challenges it presents.

A model testing the antecedents of EO in terms of family climate and governance has elicited strong confirmatory findings and is supported in its general features. The feature that is not supported by the results is the dual impacts predicted for both individual and group support. Only the latter survives our testing, which is partly because of colinearity but which also suggests that group activity binds EO more effectively through the influence of the group on the behavior of the individual in organizational contexts (Katz & Kahn, 1978).

A key finding of this research is that ownership stake is neither a necessary nor sufficient condition for EO. It is possible to be an owner and have no attachment or identification with the firm. It is possible to be non-owner but have high EO. Another important finding is that although employment is a strong predictor of EO, it is not exclusively so. Together, ownership and employment status are insufficient to explain the underlying processes that may shape and sustain EO. Our model specifies a number of such variables, highlighting the influential roles of family climate and governance. We conclude that EO has its origins in the family, shaped by family climate. At the same time, the NxG require engagement from the business in a structured, organized, and open manner. These findings are of practical importance for family businesses who seek to engage the NxG.

A question that arises from these studies is concerned with the uniqueness of this phenomenon as pertaining to the NxG in the family business. Does the same EO bond exist among senior generation family members or indeed nonfamily members of the firm? While it is beyond the scope of this article to establish the full range of this phenomenon, future research can explore the extent to which these aspects of the relationship between the firm and individual are applicable to a wider audience.

The sample used in this study was broad, geographically diverse, but limited in its international coverage. It was also demographically constrained. Usage of the snowball technique also means that the sample is not fully random, but subject to some kind of selection. Perhaps, it was tainted by a higher than usual level of "family business knowledge orientation," given the sources of participants, which may have affected the results. It is hard to tell how generalizable these results might be across cultures. The SEM method does not test

for directionality or causality, and it is not possible to draw such conclusions from cross-sectional data. We view the results as indicators of directionality rather than absolute proof. The only way to fully establish causality is through longitudinal data. Further research is needed to identify the exact nature of the link between EO and family capital as a resource in the family business. This study provides a modest step in that direction by identifying the paths that are associated with how the individual NxG member comes to identify with and attach to the family business.

The model and concept of EO as presented in this article make an important theoretical contribution to our understanding of what may add to the creation of "familiness"—a particular form of social capital that is unique to family firms (Habbershon & Williams, 1999; Habbershon, Williams, & MacMillan, 2003; Pearson, Carr, & Shaw, 2008). We believe that EO contributes—primarily as an antecedent—to the creation of social capital across relational, structural, and cognitive dimensions (Nahapiet & Ghoshal, 1998). This study sheds empirical light on the micro-level behaviors that we consider to be vital in the creation and perpetuation of family capital over generations and that occur (a) on the family system level, encapsulated by family climate and (b) at the interface of family and business: the family governance system. However, the output is at the individual level, a bond between the individual NxG member and the family business. Its strength derives from the fact that the relationship is personal in character as well as embedded in the family history. It is difficult to imagine family capital arising in the absence of this bond.

One salient feature underpinning the relational dimension in the creation of social capital is trust. As pointed out earlier in this article, fair process has been linked to trust (Ambrose & Schminke, 2003; Korsgaard, Schweiger, & Sapienza, 1995). We regard trust as closely linked with EO, and that it can be traced back to the practice of fair process for the integration of the NxG in to the business. Our model has confirmed the role of fair process as an important intermediary between family governance and EO, thus offering some explanation of family governance's role in bringing the NxG to the family firm. Future research will hopefully determine the relationship between family governance and the creation of familiness. From this study, we may infer some direction toward the description of a plausible linkage. In practical terms, EO explains why family governance processes are effective and necessary. Our

findings also indicate that fair process is particularly important in predicting EO among those next generation members who do not work in the family business. In many cases, these members are the future stewards of the family business, who in time will exert influence over the family business through share ownership. It is thus particularly relevant that these members have a solid baseline of EO to provide motivation for interest and knowledge acquisition about the family firm, thus generating a platform for responsible ownership.

As described by Pearson et al. (2008), the structural dimension of familiness is defined as social interactions, patterns, and strengths of ties. They refer to the “appropriate” organization (Coleman, 1988)—how ties among one group could be transferred to another. The attachment element in EO suggests how a bond between a parent and child can translate into a bond between a young individual and the family firm. The exact mechanism of this process has not been defined in this study, but the qualitative data suggested that *personification* is one of the routes to its creation—“. . . because my father is the founder, [the firm] is his baby, born by [him]” (Nicholson & Björnberg, 2007, p. 17).

Language, symbolism, and a shared system of meaning are features of the cognitive dimension of social capital (Nahapiet & Ghoshal, 1989). We assume that EO would be a minimal requirement in ensuring shared vision and purpose for the family business; that a bond and some investment are required in order to secure a basic level of agreement. An outcome of social identification is the internalization of values (Turner, 1982). Thus, from the perspective of the cognitive dimension of social capital formation, one might regard EO as a key asset and process in the creation of family capital in family firms.

From a practical perspective, should families be more active in seeking to build the emotional bond between the NxG and the family business? Our findings suggest that there is a case for proactive involvement from both younger and older generations. This research suggests that family firms need to look to two areas principally if they are to have a hope of engaging the interest of the NxG. These are family climate and firm governance. The model encapsulates specific day-to-day behaviors that firms can adopt to strengthen the bond between its future stewards and the organization. For example, business-owning families may decide to review their family climate to ensure that the junior members enjoy a stable base on which to build EO. The effect of family members’ interpersonal interaction with

each other is often a missing link in family business research, and this research reminds us of why it is important.

From a governance perspective, our research indicates that NxG members want decision-making processes that are inclusive and built on procedural justice, thus reinforcing the need for agency in this group. Adopting such an approach facilitates EO even for those who are on the “outside.” Taking the step of creating a robust family governance system is a good investment for any family business that intends to remain in business for more than the current generation. Doing so before need or conflict makes it urgent if difficult for family firms—but like social capital, creating EO requires both time and stability.

In summary, this work suggests that EO is an important construct for the future of family business research since it captures, parsimoniously, a critical factor in family business culture and cohesion.

Declaration of Conflicting Interests

The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding

The author(s) disclosed receipt of the following financial support for the research, authorship, and/or publication of this article:

The research - data gathering and analysis - was supported by the Institute for Family Business in part (UK) and in part by LODH. The authorship and publication of this article was not financially supported.

Note

1. Readers who wish to have more details on these results should contact the first author.

References

- Adler, P. A., & Adler, P. (1988). Intense loyalty in organizations: A case study of college athletics. *Administrative Science Quarterly*, 33, 401-417.
- Agar, M. (1986). *Speaking of ethnography*. Beverly Hills, CA: SAGE.
- Ambrose, M. L. & Schminke, M. (2003). Organization structure as a moderator of the relationship between procedural justice, interactional justice, perceived organizational support, and supervisory trust. *Journal of Applied Psychology*, 88, 295-305.

- Ashforth, B. E., & Mael, F. (1989). Social identity theory and the organization. *Academy of Management Review*, 14, 20-39.
- Björnberg, Å., & Nicholson, N. (2007). Family climate: The development of a new measure for use in family business research. *Family Business Review*, 20, 229-246.
- Blader, S. L. & Tyler, T. R. (2009). Testing and extending the group engagement model: Linkages between social identity, procedural justice, economic outcomes and extrarole behavior. *Journal of Applied Psychology*, 9, 445-464.
- Bowlby, J. (1969). *Attachment* (Vol. 1). New York, NY: Basic Books.
- Bowlby, J. (1973). *Separation* (Vol. 2). London, England: Hogarth Press.
- Bowlby, J. (1980). *Attachment and loss*. New York, NY: Basic Books.
- Brewer, M. B., & Gardner, W. (1996). Who is this "we"? Levels of collective identity and self representations. *Journal of Personality and Social Psychology*, 71, 83-93.
- Brickson, S. L. (2005). Organizational identity orientation: Forging a link between organizational identity and organizations' relations with stakeholders. *Administrative Science Quarterly*, 50, 576-609.
- Cabrera-Suarez, K., De Saa-Perez, P., & Garcia-Almeida, D. (2001). The succession process from a resource and knowledge-based view of the family firm. *Family Business Review*, 14, 11-24.
- Cardador, M. T., & Pratt, M. G. (2006). Identification management and its bases: Bridging management and marketing perspectives through a focus on affiliation dimensions. *Journal of the Academy of Marketing Sciences*, 34, 174-184.
- Chrisman, J. J., Chua, J. H., & Sharma, P. (1998). Important attributes of successors in family businesses: An exploratory study. *Family Business Review*, 11, 19-34.
- Coleman, J. S. (1988). Social capital in the creation of human capital. *American Journal of Sociology*, 93, 291-321.
- Cudeck, R. (2001). Cronbach's alpha on two-item scales. *Journal of Consumer Psychology*, 10(1-2), 55-55.
- Davis, P. S., & Harveston, P. D. (1999). In the founder's shadow: Conflict in the family firm. *Family Business Review*, 12, 311-323.
- Deloitte & Touche Centre for Tax Education and Research. (1999). *Are Canadian family businesses an endangered species: The first success readiness study of Canadian family-owned business* (Survey conducted by Deloitte & Touche Centre for Tax Education and Research at the University of Waterloo). Retrieved from <http://accounting.uwaterloo.ca/mtax/FamBusSurvey%201999.pdf>
- De Massis, A., Chua, J. H. & Chrisman, J. J. (2008). Factors preventing intra-family succession. *Family Business Review*, 21, 183-199.
- Dunn, B. (1999). The family factor: The impact of family relationship dynamics on business-owning families during transitions. *Family Business Review*, 12, 41-60.
- Dyck, B., Mauws, M., Starke, F. A., & Mischke, G. A. (2002). Passing the baton: The importance of sequence, timing, technique, and communication in executive succession. *Journal of Business Venturing*, 17, 143-162.
- Eisenhardt, K. (1989). Building theories from case study research. *Academy of Management Review*, 4, 532-550.
- Flynn, F. J. (2005). Identity orientations and forms of social exchange in organizations. *Academy of Management Review*, 30, 737-750.
- Friedkin, N. E. (2004). Social cohesion. *Annual Review of Sociology*, 30, 409-425
- Geller, D., & Bamberger, P. (2009). Bringing avoidance and anxiety to the job: Attachment style and instrumental behaviour among coworkers. *Human Relations*, 62, 1803-1827.
- Gilding, M. (2000). Family business and family change: Individual autonomy, democratization, and the new family business institutions *Family Business Review*, 13, 239-249.
- Gómez-Mejía, L. R., Cruz, C., Berrone, P., & De Castro, J. (2011). The bind that ties: Socioemotional wealth preservation in family firms. *Academy of Management Annals*, 5, 653-707.
- Gómez-Mejía, L. R., Táacs Haynes, K., Nuñez-Nickel, M., Jacobson, K. J. L., & Moyano-Fuentes, J. (2007). Socioemotional wealth and business risks in family-controlled firms: Evidence from Spanish olive oil mills. *Administrative Science Quarterly*, 52, 106-137.
- Habbershon, T. G., & Williams, M. L. (1999). A resource-based framework for assessing the strategic advantages of family firms. *Family Business Review*, 12, 1-25.
- Habbershon, T. G., Williams, M., & MacMillan, I. C. (2003). A unified systems perspective on family firm performance. *Journal of Business Venturing*, 18, 451-465.
- Handler, W. C. (1989). *Managing the family firm succession process: The next generation family member's experience*. Unpublished doctoral dissertation, Boston University.
- Handler, W. C. (1994). Succession in family businesses: A review of the research. *Family Business Review*, 7, 133-157.
- Hazan, C., & Shaver, P. (1990). Love and work: An attachment-theoretical perspective. *Journal of Personality and Social Psychology*, 59, 270-280.

- Higginson, N. (2010). Preparing the next generation for the family business: Relational factors and knowledge transfer in mother-to-daughter succession. *Journal of Management and Marketing Research*, 4, 1-18.
- Ibarra, H. (1999). Provisional selves: Experimenting with image and identity in professional adaptation. *Administrative Science Quarterly*, 44, 764-791.
- Jones, C., & Volpe, E. H. (2011). Organizational identification: Extending our understanding of social identities through social networks. *Journal of Organizational Behavior*, 32, 413-434.
- Jöreskog, K. (1973). A general method for estimating a linear structural equation system. In A. S. Goldeberger & O. D. Duncan (Eds.), *Structural equation models in the social sciences* (pp. 85-112). New York, NY: Academic Press.
- Katz, D., & Kahn, R. L. (1978). *The social psychology of organizations*. Hoboken, NJ: Wiley.
- Korsgaard, M. A., Schweiger, D. M., & Sapienza, H. J. (1995). Building commitment, attachment, and trust in strategic decision-making teams: The role procedural justice. *Academy of Management Journal*, 38, 60-84.
- Kreiner, G. K., & Ashforth, B. E. (2004). Evidence toward an expanded model of organizational identification. *Journal of Organizational Behavior*, 25, 1-27.
- Lind, E. A. & Tyler, T. R. (1988). *The social psychology of procedural justice*. New York, NY: Plenum Press.
- Mazzola, P., Marchisio, G., & Astrachan, J. (2008). Strategic planning in family business: A powerful developmental tool for the next generation. *Family Business Review*, 21, 239-258.
- Meyer, J. P., & Allen, N. J. (1991). A three-component conceptualization of organizational commitment. *Journal of Applied Psychology*, 1, 61-90.
- Mikulincer, M., & Shaver, P. R. (2005). Attachment theory and emotions in close relationships: Exploring the attachment-related dynamics of emotional reactions to relational events. *Personal Relationships*, 12, 149-168.
- Mikulincer, M., & Shaver, P. R. (2007). *Attachment in adulthood: Structure, dynamics and change*. New York, NY: Guilford Press.
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: an expanded sourcebook* (2nd ed.). Beverly Hills, CA: SAGE.
- Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital and the organizational advantage. *Academy of Management Review*, 23, 242-266.
- Nicholson, N., & Björnberg, Å. (2007). *Ready, willing and able? The next generation in family business*. London: The Institute for Family Business.
- Nicholson, N. & Björnberg, Å. (2008). The shape of things to come—Emotional ownership and the next generation. In J. Tapies & J. Ward, *Family values and value creation. The fostering of enduring values within family-owned businesses* (pp. 29-52). New York, NY: Palgrave Macmillan.
- O'Reily, C., & Chatman, J. (1986). Organizational commitment and psychological attachment: The effects of compliance, identification, and internalization on prosocial behavior. *Journal of Applied Psychology*, 71, 492-499.
- Pearson, A. W., Carr, J. C., & Shaw, J. C. (2008). Toward a theory of familiness: A social capital perspective. *Entrepreneurship: Theory & Practice*, 32, 949-969.
- Perricone, P. J., Earle, J. R., & Taplin, I. M. (2001). Patterns of succession and continuity in family-owned businesses: study of an ethnic community. *Family Business Review*, 14, 105-121.
- Pierce, J. L., Kostova, T., & Dirks, J. L. (2001). Toward a theory of psychological ownership in organizations. *Academy of Management Review*, 26, 298-310.
- Pratt, M. G. (1998). To be or not to be? Central questions in organizational identification. In D. A. Whetten, & P. C. Godfrey (Eds.), *Identity in organizations: Developing theory through conversations* (pp. 171-207). Thousand Oaks, CA: SAGE.
- Richards, D. A., & Schat, A. C. H. (2011). Attachment at (Not to) work: Applying attachment theory to explain individual behaviour in organizations. *Journal of Applied Psychology*, 96, 169-182.
- Riketta, M. (2005). Organizational identification: A meta-analysis. *Journal of Vocational Behavior*, 66, 358-384.
- Riketta, M., & Van Dick, R. (2005). Foci of attachment in organizations: A meta-analytic comparison of the strength and correlates of workgroup versus organizational identification and commitment. *Journal of Vocational Behavior*, 67, 490-510.
- Sharma, P. (1997). *Determinants of the satisfaction of the primary stakeholders with the succession process in family firms* (Unpublished doctoral dissertation). University of Calgary, Calgary, Alberta, Canada.
- Sharma, P. (2004). An overview of the field of family business studies: Current status and directions for the future. *Family Business Review*, 17, 1-36.
- Sharma, P., Chrisman, J. J., & Chua, J. H. (2003). Succession planning as planned behavior: Some empirical results. *Family Business Review*, 16, 1-15.
- Sharma, P., Chrisman, J. J., Pablo, A. L., & Chua, J. H. (2001). Determinants of initial satisfaction with the succession process in family firms: A conceptual model. *Entrepreneurship: Theory & Practice*, 25, 17-35.
- Sharma, P., & Irving, G. (2005). Four bases of family business successor commitment: Antecedents and consequences. *Entrepreneurship: Theory & Practice*, 29, 13-33.

- Sharma, P., & Rao, S. A. (2000). Successor attributes in Indian and Canadian family firms: A comparative study. *Family Business Review*, 13, 313-330.
- Sluss, D. M., & Ashforth, B. E. (2007). Relational identity and identification: Defining ourselves through work relationships. *Academy of Management Review*, 32, 9-32.
- Steier, L. (2001). Next-generation entrepreneurs and succession: An exploratory study of modes and means of managing social capital. *Family Business Review*, 14, 259-276.
- Tajfel, H. (Ed.). (1982). *Social identity and intergroup relations*. Cambridge, England: Cambridge University Press.
- Turner, J. C. (1982). Towards a cognitive redefinition of the social group. In H. Tajfel (Ed.), *Social identity and intergroup relations* (pp. 15-40). Cambridge, England: Cambridge University Press.
- Turner, J. C. (1984). Social identification and psychological group formation. In H. Tajfel (Ed.), *The social dimension: European developments in social psychology and intergroup relations* (Vol. 2, pp. 518-538). Cambridge, England: Cambridge University Press.
- Tyler, T. R., & Blader, S. L. (2002). Autonomous vs. comparative status: Must we be better than others to feel good about ourselves? *Organizational Behavior & Human Decision Processes*, 89, 813-838.
- Tyler, T. R. & Blader, S. L. (2003). The group engagement model: Procedural justice, social identity, and cooperative behavior. *Personality and Social Psychology Review*, 7, 349-361.
- Van der Heyden, L., Blondel, C., & Carlock, R. S. (2005). Fair process: Striving for justice in family business. *Family Business Review*, 28, 1-21.
- Ward, J. L., & Carlock, R. S. (2001). *Strategic planning for the family business. Parallel planning to unify the family and business*. New York, NY: Palgrave Macmillan.
- Weston, R., Gore, P. A., Chan, F., & Catalano, D. (2008). An introduction to using structural equation models in rehabilitation psychology. *Rehabilitation Psychology*, 53, 340-356.
- Yin, R. (1984). *Case study research: Design and methods*. Beverly Hills, CA: SAGE.

Bios

Åsa Björnberg is a PhD student at London School of Economics, and a senior expert with McKinsey & Company. Her research focuses on leadership, interpersonal relationships and culture in organisations, with special emphasis on family businesses. She is an Editorial Board Member of the Journal of Family Business Strategy.

Nigel Nicholson has been a Professor of Organizational Behaviour at London Business School since 1990. He has pioneered the introduction of the ideas of evolutionary psychology into OB, and has conducted research into many areas of the field, most notably absenteeism, labor relations, role transitions, risk in finance. His current work focuses on leadership, identity and culture, especially in relation to family business.