

EDITORIAL

Final version at: <http://fbr.sagepub.com/content/25/3/233>

Value Creation and Performance in Private Family Firms: Measurement and Methodological Issues

Pramodita Sharma (psharma@bsad.uvm.edu)

and

Michael Carney (mcarney@jmsb.concordia.ca)

Building usable knowledge requires research rigor, relevance, and reach (Lindblom & Cohen, 1979; Sharma, 2010). Such research starts with clearly stated interesting research questions, and involves succinctly defined constructs, theoretical frameworks that build upon and extend existing literature, appropriate methods for the inquiry, valid and reliable measurement, and effective dissemination to scholarly and practitioner audiences. Over the past few years, to help build usable knowledge on family enterprises, editorials in the *Family Business Review* have addressed several of these essential components of research. For example, Salvato and Aldrich (2012) discuss interesting research questions; Pearson and Lumpkin (2011) focus on construct definition and measurement; Reay and Whetten (2011) tackle theory development; Reuber (2010) discusses the nuances of a good literature review; and Chenail (2009) elaborates on communicating qualitative research. Continuing on this quest for building impactful research, this special issue focuses on methodologies that might help expand the scope and dimensionality of scholarly pursuits especially as it relates to measuring value creation and performance in privately held family enterprises. In the following sections, we elaborate on the aim of this special issue; process used to select featured articles; provide briefs on each article; and conclude with some thoughts that may be used to further enhance the methodological rigor of family enterprise research.

NEED and AIM OF THE SPECIAL ISSUE:

Private firms overwhelmingly dominate the economic landscape of our world (e.g., Fogel, 2006). For example, in the United States while there are over 6 million private enterprises with employees, there are only about 5000 companies traded on the major stock exchanges and this latter number has been in continuous decline since 1997 (Stuart, 2011). Despite such statistics, over 80% of the management literature has been focused on publicly traded firms partly due to easier access to reliable data on variables of interest (Chen & Smith, 1987). While this research has enabled accumulation of knowledge on listed enterprises, more efforts are needed to understand the private enterprise.

It is well established that financial performance is a key outcome variable of interest to the strategy scholars (e.g., Ketchen, Thomas, & McDaniel, 1996; Nag, Hambrick, and Chen, 2007). Somewhat surprisingly, recently, financial performance has also been revealed as the most frequently studied dependent variable by family business scholars indicating a shift in attention away from succession issues that held prominence in the earlier years of the field's development¹ (Dyer Jr. & Sanchez, 1998; Sharma, Chrisman, & Chua, 1997; Yu, Lumpkin, Sorenson, & Brigham, 2012). Although scholars believe that unique value creating potential of family firms may reside in their capacity to develop and leverage intangible assets such as social capital, trust, reputation, and tacit knowledge (e.g., Sirmon & Hitt, 2003), measuring the value of such intangible assets has proven to be problematic. Only 3.55% of articles in Yu et al's (2012) comprehensive review of all empirical studies published from 1998 to 2009 focused on measuring non-economic performance variables in family firms (e.g., Gómez-Mejía, Haynes, Núñez-Nickel, Jacobson, Moyano-Fuentes, 2007).

In private firms, even the measurement of financial performance is challenging. There are few large reliable national data bases as in most countries there is no legal obligation for private

¹ While 12.94% articles focused on 'financial performance', only 8.56% of the articles were focused on various topics related to succession (Yu et al., 2012).

family firms to disclose their activities or financial performance. Income-based measures of performance may be understated due to taxation concerns or intention to transfer the enterprise across generations. Consequently, scholars frequently depend upon survey and self-reported data, which are often hindered with low response rates and perceptual biases. These difficulties are further accentuated in family enterprises wherein the overlap of family and business systems making data even more personal and thus unattainable than in non-family private firms. Adding to the complexity is the widespread prevalence of multiple salient goals that change over time in family enterprises (e.g., Kotlar & De Massis, 2012; Taguiri & Davis, 1992).

Simultaneous pursuit of financial and non-financial performance objectives is an often sought after objective (Zellweger, Nason & Nordqvist, 2012). Economic and financial performance may be compromised in preference for creating and preserving types of socio-emotional wealth such as perpetuating family name, values, control and employment, or to support a desirable lifestyle (Gómez-Mejía et al., 2007). Thus, scholarly measurement of performance and value creation must simultaneously focus on short and long term, financial and non-financial dimensions, while linking with the firms' goals. As noted by Chua, Chrisman, & Steier (2003): 'efficacy can only be evaluated in terms of achieving the goals and objectives set by the family for the firm' (2003: pp. 332). Amidst this context, how are researchers measuring performance of family firms and comparing this performance with that of non-family firms? And, perhaps even more importantly, how can such measurement and methodological rigor be further improved?

Most studies of financial performance rely either on measures that capture past performance such as accounting profitability or future oriented measures such as market value (Amit & Villalonga, in press). Private enterprises are often distinguished from publicly held firms. Some studies also distinguish family's involvement in management from its involvement in ownership (e.g., Bennesen, Nielsen, Pérez-González, & Wolfenzon, 2008; Sciascia & Mazzola, 2008; Westhead

& Howorth, 2006). Founder lead firms are distinguished from firms lead by members of subsequent generations of the founding family or non-founding family (Miller, Le Breton-Miller, Lester, & Cannella, 2007; Villalonga & Amit, 2006). Performance of family firms in developed countries is compared with their counterparts in less developed countries that are often characterized by stronger family values (e.g., Khanna & Yafeh, 2007).

Several noteworthy reviews of empirical studies on financial performance have appeared recently (Amit & Villalonga, in press; Bertrand & Schoar, 2006; Stewart & Hitt, 2012). These studies reveal that the vast majority of available empirical evidence on performance of family enterprises is focused on publicly held large family firms. Insignificant findings and conflicting results are common. Definition used and contextual factors such as location, industry, institutional and macro economic conditions impact the results (Amit & Villalonga, in press). The cumulative evidence points toward a wide variation in results on financial performance of family and non-family firms and even more significantly within family firms.

A few preliminary findings that emerge across these studies are as follows. In publicly held firms, overall family involvement leads to a modestly positive performance when compared with their non-family counterparts. The observed performance differential is largely caused by the inclusion of founder lead firms in the samples as these firms consistently outperform firms that are lead by later generation family or non-family managers. The impact of later generation managed firms on performance varies geographically and over time (Stewart & Hitt, 2012). The limited available evidence of performance of privately held firms indicates that family involvement does not have a significant effect on performance when compared to similar non-family firms. However, when family involvement in management is distinguished from family involvement in ownership, the former has a negative quadratic affect on performance, while the latter has no significant influence (e.g., Sciascia & Mazzola, 2008).

While the above indicates a growing interest in understanding family firm performance, the inherent difficulties of asset valuation and performance assessment of these firms is leading to non-significant results and mixed findings. Goals are multi-dimensional and change over time. Reliable longitudinal data is usually not available and surveys are marred by low response rates. The conventional research methods used for publicly listed firms are proving insufficient to understand the private family firms as their 'private' status poses several methodological and measurement challenges for scholars. Thus, openness toward new inductive and deductive methodological approaches from varied academic disciplines is needed to address the fundamental questions about value creation and performance. The primary goal of this special issue is to feature conceptual and empirical articles that introduce concepts, theories, measures, and methods that can enhance understanding of performance and value creation in the context of private family firms. In assembling this issue we were inspired by the *Organizational Research Methods*'s special issue on methodologies in entrepreneurship co-edited by Short, Ketchen Jr., Combs, & Ireland (2010).

DEVELOPMENTAL AND SELECTION PROCESS USED

This issue has been in the making for over two years. A widely distributed *Call* invited authors to submit 1-2 page proposals to develop conceptual or empirical papers suggesting alternative methodological approaches to the question of value creation and performance measurement in private family firms. Of special interest were proposals that drew insights from varied academic disciplines such as anthropology, family studies, history, law, marketing, psychology, sociology, and other fields of social science, and that came from practitioners such as accountants, lawyers, and private equity partnerships, in the private family firm community who are routinely required to quantify the firm value at various points in the firm lifecycle. Manuscripts that investigated or took stock of accepted valuation practices in various geographical jurisdictions were welcomed. 1 July 2010 was the due date for such proposals.

Thirteen proposals were received. Based on an editorial review, authors of nine proposals were invited to develop full manuscripts and present them at the Montreal Family Business Conference we organized in October 2010 at the John Molson School of Business. An hour was allotted to the presentation and discussion of each paper. Revised manuscripts were submitted to the *Family Business Review* in February 2011. All received manuscript went through a double blind review process that guided the selection decisions. Each article in this issue went through at least two iterations of revisions. Appendix A provides a list of the discussants and reviewers who guided the development of articles in this special issue.

ARTICLES IN THIS ISSUE:

In the first article, business historian Andrea Colli (2012) highlights the critical significance of context, that is, time and space in measuring family firm performance and value creation. Using illustrative examples largely from Italy, he richly describes the multiplicity of goals of family enterprises at a point in time, and variations in goals pursued by the same family enterprise over time. In his words,

“Performance as value creation and transmission thus becomes a “mobile” or multiple concept which varies across time and space” (Colli, 2012: 13).

When viewed from this perspective, the limitations of using single dimensional performance measures such as financial returns, market size, or employment become evident. To overcome these limitations, business historians tend to rely on multiple unconventional performance measures four of which are discussed in this article. These are: (i) survival, (ii) embeddedness, (iii) reputation, and (iv) sustainability. Distinction is made between ‘survival of an enterprise’ and its ‘survival as a family owned enterprise’ as one can occur without the other. Embeddedness on two levels of analysis is discussed. First, the embeddedness of a firm within its community; and second the ability of a family

to preserve unity of its members. Reputation of two sub-systems of family and business is viewed as inter-twined as ‘entrepreneurs and dynasties are extremely committed to preserving the reputation of the family through the reputation of their business and of the business through that of the family’. (pp. 10). Sustainability is viewed as the successful balance between growth and family control over the evolution of the firm. Thus, when viewed from a historical perspective the measurement of performance needs be closely aligned with an understanding of the goals of an enterprise that may vary from one family firm to the other and in the same firm over time. Colli concludes (2012: pp14):

“What good business histories do is to point out the variability of the goals and thus of the performance measures in the life of a single enterprise and put forward the proper identification of these goals and of their measures.”

Thus, business history reminds us of the importance of developing reliable measures for understanding the multiple goals and performances of family enterprises. Recently, Pearson and Lumpkin (2012: 290) observed that,

‘Without progress in developing psychometrically sound constructs and measures, we risk the credibility of our field as a whole, for as Peter (1979) notes, “If the measures used in a discipline have not been demonstrated to have a high degree of validity, that discipline is not a science” (p. 6). As authors, reviewers, and editors, we need to commit to uphold the best practices of measurement in empirical studies in order to continue the rapid advancement of the science of family business research.’

An important contribution in this regard is the chapter by Pearson, Holt, & Carr (in press) that compiles and evaluates the psychometric properties of scales in the family business literature. These authors also identify important constructs for which scale development is needed for the field to progress. For example they observe that,

“the concept of socio-emotional wealth has received much recent attention in the literature (e.g., Berrone, Cruz, Gomez-Mejia, and Larraza-Kintana, 2010) and may be unique to family firms; despite this, no multi-item measure of this construct could be found.” (Pearson et al, in press; 15).

The socio-emotional wealth (SEW) approach posits that the decision making of the dominant principals of a firm is based on the perceived impact of a decision on the accumulated socio-emotional endowments (Gomez-Mejia et al, 2007). Research undertaken from this perspective has confirmed the tendency of family firm leaders to make economically risky decisions when the choice involves loss of socio-emotional wealth (e.g., Berrone et al, 2010; Zellweger, Kellermanns, Chrisman, and Chua, 2011). However, as noted by Pearson et al (in press), while SEW is an all-encompassing approach that attempts to capture the affective endowment of family enterprise owners, related empirical tests have thus far relied on unitary explanatory proxy measures of family involvement from secondary archival data. Examples include percentage of shares owned by a family, percentage of family members in board, or CEO’s family status. Thus, the next natural step in further developing the SEW approach is to discuss its underlying dimensions.

Berrone, Cruz, and Gomez-Mejia (2012) – three early proponents of this approach who have played a significant role in its development undertake the challenge of developing the dimensions and measures of SEW. This article provides a succinct summary of the key features of SEW, its relationship with other theoretical approaches, and highlight of empirical tests thus far. Urging researchers to move from currently used uni-dimensional measures to multiple dimensions, Berrone et al (2012) discuss five dimensions of SEW which they label as FIBER. That is, F - Family control and influence; I – Identification of family members with the firm; B – Binding social ties, E – Emotional attachment of family members, and R – Renewal of family bonds to the firm through dynastic succession. Measures for each of these dimensions are presented. The pros and cons of

using surveys, content analysis, case studies, and lab experiments when using SEW approach are discussed. The article concludes with a list of twenty-four potentially interesting research questions that can be addressed using the SEW approach. Two of these questions are:

(i) What types of emotions have a positive influence on the formation of SEW? And, which ones have negative connotations?

(ii) Why are some family firms guided more strongly by SEW than others?

As if following cue from these questions, Zellweger and Dehlen (2012) wonder that if all family firms value their socio-emotional endowments then why are some family firms sold? These authors conceptualize SEW as the difference between the objective market value of a firm and the owners' subjective assessment of it. They challenge the assumption that all family business owners experience the same amount of socio-emotional wealth towards their firms, which in turn, impacts their subjective valuation of this firm. Drawing upon the 'affect infusion model' developed in cognitive psychology (see Forgas & Ciarrochi, 2001 for a review), this article discusses the causes that lead to an alignment (or misalignment) between an owners' subjective valuation of his/her enterprise and its market assessment. It is proposed that the two valuations are more aligned under three conditions. First, when owners are more familiar with the value assessment and asset transfer processes. Second, when one of the co-investors' is highly motivated to sell the enterprise. Third, when reliable market assessment and performance information are available. On the contrary, three conditions that lead to a significant variance between the subjective and market valuations are – (i) when an asset is more personally relevant to an owner as a significant part of his/her overall wealth or identity or as a work place; (ii) ownership structure is complex making it difficult to clearly assess the true value of an asset; and (iii) personal and business finances are intermingled.

If an understanding of performance and value creation of family enterprise must be done in relation to the goals being pursued by a business family, it becomes imperative to assess these goals

(Chua et al., 2003; Colli, 2012). Using insights from organizational identity literature, in their article, McKenny, Short, Zachary, and Payne (2012) use publicly available organizational narratives such as websites and press releases to assess the espoused goals of Australia's 100 largest privately held firms based on revenues. DICTION, a computer aided content analysis tool helps identify 28 different goals: 13 normative and 15 utilitarian. Firms in this sample clustered into three categories based on espoused goals – those high on normative goals, those high on utilitarian goals, and those low on both types of goals. Very few firms had a strong emphasis on both types of goals indicating the difficulty of balancing multiple goals in family firms. Although difficult to accomplish such balance, previous research findings on privately held family firms in Spain suggest that enterprises that simultaneously manage their business and family focused goals perform better on both dimensions (e.g., Basco & Rodriguez, 2009). In this Australian sample, the most common normative goal category was donations and community involvement. Company age was the most often referenced utilitarian goal reaffirming the importance of survival and sustainability for family enterprises observed by Colli (2012).

McKenny et al (2012) note the differential usage of website versus press releases to emphasize different goals. For example, spreading the news about donations made or other forms of community involvement was more commonly done through press releases rather than on company websites. But, ethical goals were more often communicated through websites. Interestingly, internal family specific goals such as 'owner's financial security' and 'personal growth' were not found in any of the narratives. The authors speculate that this could be a function of the targeted communication strategy by family firms as the websites and press releases is to communicate with external audiences rather than with family to whom such goals will be most salient. It is hoped that this article will inspire future research directed to understand the goals of family enterprises at any point in time and over time. This important topic has not yet received the attention it deserves (Yu et al., 2012).

While the task of developing reliable constructs and measures for assessing goals and performance of family enterprises must continue, two articles in this special issue demonstrate how some methods such as simulation experiments (Chirico, Nordqvist, Colombo, and Mollona, 2012) and narrative analysis (Dawson & Hjorth, 2012) that have not yet been employed in family business research can help accelerate the understanding of value creation across generations in privately held family enterprises.

Simulation is a virtual experiment that uses computer software to model causal relationships among constructs over time. Chirico et al (2012) use systems dynamics – a well-known simulation approach, to develop propositions for conditions when founder's paternalism (or excessive caring for others) acts as an asset or a liability for building financial value and social capital of family firms. Systems dynamics is particularly useful when the theoretical model involves interacting processes, circular causality or feedback loops (such as X influences Y, and Y in turn influences X), and time delays. This simulation reveals that founder's paternalism leads to nimble structures, learning by employees and off springs in early career stages. In turn, these factors add financial and social capital value for the firm. However, continuation of a dominant caring approach may suffocate the ability of other members of the firm or family to contribute to value creation. Empirical studies on non-family firms have shown an inverted U-shaped relationship between CEOs tenure and firm performance with 15 years being the inflection point after which the negative outcomes begin to emerge (e.g., Henderson, Miller & Hambrick, 2006). In addition to its interesting findings, this article introduces a new methodology to family business studies wherein the complex feedback loops between variables of interest are commonplace.

Narrative analysis is a systematic study of stories that people tell (Gartner, 2007). It meets the challenge of studying and analyzing processes while keeping the context and temporality alive.

Useful to build mid-range theory, this inductive approach enables the study of processes through systematic study of text. In the words of Dawson and Hjorth (2012: pp.4):

“Such studies can tell the difference between a wink and a twitch in everyday family business life and can thus distinguish between an event (resulting from an individual’s intention) and the ordinary. The result is knowledge creation based on high-resolution data-theories based on precise articulations of the drama and dynamics of family business life.”

In their article, Dawson and Hjorth (2012) demonstrate how the narrative approach might be used to understand trans-generational succession in family enterprises. They analyze the multiple voices of the story of a successful third-generation family business owner and manager, Tommaso Berger who built his grandfather’s coffee and mineral water business into a notable food empire in Italy. Although his son Roberto Berger had been actively involved in the management of this family enterprise for several years and was deemed qualified and capable by some, Tommaso decided to sell the business and place the wealth in a family trust instead of passing the business to the next generation of his family. To complicate matters, the trustees and beneficiaries including Roberto and his two sisters voted to exclude Tommaso Berger from the trust that he had created to preserve his wealth. Two different versions of text – an autobiography of Tommaso Berger (Berger, 2007) and a book chapter on Roberto Berger by a journalist Astone (2009) are examined to understand the ‘explication’ or the ‘what’ and ‘explanation’ or the ‘how’ of the story. Burke’s (1968) pentad of five elements – what, who, how, where, and why, are then used to draw out five themes related to trans-generational succession from this story. This article adds an important methodological tool kit to conduct research on the multifaceted and complex systems of family enterprises.

The six articles in this issue help lay a foundation for building an understanding of value creation and performance of privately held family enterprise. Methods new to the field such as

narrative and simulation analysis are introduced, multiple dimensions and measures of the SEW construct that is gaining significant attention are developed, and usage of DICTION to analyze data from company websites is illustrated. Lessons from business history and cognitive psychology remind us of the critical role of context in understanding the performance and value of an enterprise over time, and at a point in time for different individuals. As the confidence in conclusions of research in a field depend heavily on the rigor of its methods and measures, these articles make a significant contribution to assess performance and value creation by private family firms.

CONCLUDING THOUGHTS:

Methodological rigor is essential to build the credibility of a field and have confidence in its research findings (e.g., Short et al., 2010). Methods employed in a field must take into consideration the uniqueness of its context and core variables of interest (Johns, 2006). Family involvement in business is the core variable that distinguishes family enterprise research from other disciplines. Amidst this seemingly unified core, however lies significant diversity. The nature and mode of family involvement in business varies across firms and in a firm over time. The desired, espoused, and accomplished performance goals in terms of firm size, growth, or age vary as well. Often these goals are modified and synchronized by the developments and resources on the family dimension. Several enterprising families run multiple firms at a point in time and over time, balancing and managing their resources. Most of these enterprises are privately held (e.g., Zellweger et al., 2012). Such is unique and challenging context that family enterprise scholars aim to study. For a curious and courageous scholar, this context offers exciting opportunities that can propel careers and contribute to our understanding of the ubiquitous organizational form in the world (Craig & Salvato, 2012; Litz, Pearson, & Litchfield, 2012).

We are hopeful that the articles in this special issue will help improve the methodological rigor in family enterprise studies. In addition to employing the methods introduced in this issue, empirically testing offered ideas, theories, and measures, we hope this issue will inspire family enterprise scholars to explore other methods and measures to deepen our understanding on value creation and performance of private family firms. Temporal and spatial issues must be addressed. Does the value of a share or performance change over time, or over different geographic regions? Might techniques such as geographic weighted regression or conjoint analysis prove helpful in understanding such questions? (e.g., Breitenecker & Harms, 2010; Lohrke, Holloway, & Woolley, 2010).

Work is also needed to address questions of perspective (Amit & Villalonga, in press). For example, for whom and from whose perspective is the performance being measured or value being created? Is it for shareholders (current or future, minority vs. majority, family or non-family, founding vs. non-founding family), or for society at large? For example, does the value of a share in private firm vary depending on its holder? And, then, we must address the prickly question of the definition of a family without which the findings may be confounded (James, Jennifer, Breikreuz, 2012; Santiago, 2011).

Unequivocal and unified in their enthusiastic predictions of a very bright future for family enterprise studies, notable management scholars highlight the importance of adopting research designs and methods that are idiosyncratic to the family enterprise context (Craig & Salvato, 2012). It is our hope that this special issue moves us forward in meeting this challenge they pose.

References

- Agarwal, R. & Hoetker, G. (2007). A faustian bargain? The growth of management and its relationship with related disciplines. *Academy of Management Journal*, 50(6): 1304-1322.
- Amit, R. & Villalonga, B. (in press). Financial Performance of Family Firms. In *SAGE Handbook of Family Business*. Edited by Leif Melin, Mattias Nordqvist, and Pramodita Sharma.

- Astone, F. (2009). *Gli affair di famiglia. Fatti e misfatti della nuova generazione di padroni [Family affairs: Deeds and misdeeds of the new generation of masters]*. Milan, Italy: Longanesi.
- Bennedsen, M., Nielsen, K.M., Pérez-González, F. & Wolfenzon, D. (2008). Inside the family firm: The role of families in succession decisions and performance. *Quarterly Journal of Economics*, 122: 647-691.
- Berger, T. (2007). *Onora il padre: Autobiografia di un imprenditore [Honor the father: Autobiography of an entrepreneur]*. Venice, Italy: Marsilio.
- Berrone, P., Cruz, C., & Gomez-Mejia, L.R. (2012). Socioemotional wealth in family firms: Theoretical dimensions, assessment approaches, and agenda for future research. *Family Business Review*, 25(3):..
- Berrone, P., Cruz, C., Gomez-Mejia, L.R., & Larraza-Kintana, M. (2010). Socioemotional wealth and corporate responses to institutional pressures: Do family-controlled firms pollute less? *Administrative Science Quarterly*, 55: 82-113.
- Bertrand, M. & Schoar, A. (2006). The role of family in family firms. *Journal of Economic Perspectives*, 20(2): 73-96.
- Breitenecker, R. & Harms, R. (2010). Dealing with spatial heterogeneity in entrepreneurship research. *Organizational Research Methods*, 13(1): 176-191.
- Burke, K. (1968). Dramatism. In D.L.Sills (Ed.). *International encyclopedia of the social sciences* (pp. 455-452). New York, NY: Macmillan.
- Chenail, R. J. (2009). Communicating your qualitative research better. *Family Business Review*, 22(2): 105-108.
- Chen, M. & Smith, K. (1987). Samples used in strategic management research. In: *Best paper proceedings: 47th annual meeting of the Academy of Management*, pp. 7-11; Athens, Georgia.
- Chirico, F., Nordqvist, M., Colombo, G., & Mollona, E. (2012). Simulating dynamic capabilities and value creation in family firms: Is paternalism an “asset” or a “liability”? *Family Business Review*, 25(3):....
- Chua, J.H., Chrisman, J.J., & Steier, L.P. (2003). Extending the theoretical horizons of family business research. *Entrepreneurship Theory & Practice*, 23: 19-39.
- Colli, A. (2012). Contextualizing performances of family firms: The perspectives of business history. *Family Business Review*, 25(3):...
- Craig, J. & Salvato, C. (2012). The distinctiveness, design, and direction of family business research: Insights from management luminaries. *Family Business Review*, 25(1): 109-116.

Dawson, A. & Hjorth, D. (2012). Advancing family business research through narrative analysis. *Family Business Review*, 25(3):....

Dyer Jr., W.G. & Sanchez, M. (1998). Current state of family business theory and practice as reflected in family business review 1988-1997. *Family Business Review*, 11(4): 287-295.

Fogel, K. (2006). Oligarchic family control, social economic outcomes, and the quality of government. *Journal of International Business Studies*. 37: 603-622.

Forgas, J.P. & Ciarrochi, J. (2001). On being happy and possessive: The interactive effects of mood and personality on consumer judgments. *Psychology and Marketing*, 18: 239-260.

Gartner, W.B. (2007). Entrepreneurial narrative and a science of the imagination. *Journal of Business Venturing*, 22: 613-627.

Gómez-Mejía, L.R., Haynes, K.T., Núñez-Nickel, M., Jacobson, K.J.L., & Moyano-Fuentes, J. (2007). Socio-emotional wealth and business risks in family controlled firms: Evidence from Spanish olive mills. *Administrative Science Quarterly*, 52: 106-137.

James, A.E., Jennings, J.E. & Breitzkreuz, R.S. (2012). Worlds apart? Rebridging the distance between family science and family business research. *Family Business Review*, 25(1): 87-108.

Johns, G. (2006). The essential impact of context on organizational behavior. *Academy of Management Review*, 31(2): 386-408.

Ketchen Jr., D., Thomas, J.B. & McDaniel Jr., R. (1996). Process, content, and context: Synergistic effects on organizational performance. *Journal of Management*, 22: 231-257.

Khanna, T. & Yafeh, Y. (2007). Business groups in emerging markets: Paragons or parasites? *Journal of Economic Literature*, 45: 331-372.

Kotlar, J. & De Massis, A. (2012). Goal setting in Family Firms: Goal diversity, social interactions, and collective commitment to family-centered goals. Award winning article at the 2012 *Family Enterprise Research Conference* in Montreal.

Lindblom, C.E. & Cohen, D.K. (1979). *Usable knowledge: Social science and social problem solving*. New Haven & London: Yale University Press.

Litz, R.A., Pearson, A.W., & Litchfield, S. (2012). Charting the future of family business research: Perspectives from the field. *Family Business Review*, 25(1): 16-32.

Lohrke, F.T., Holloway, B., & Woolley, T. (2010). Conjoint analysis in entrepreneurship research: A review and research agenda. *Organizational Research Methods*, 13(1): 16-30.

McKenny, A.F., Short, J.C., Zachary, M.A., & Payne, G.T. (2012). Assessing espoused goals in private family firms using content analysis. *Family Business Review*, 25(3):....

Miller, D., Le Breton-Miller, I., Lester, R.H. & Cannella, A.A. (2007). Are family firms really superior performers? *Journal of Corporate Finance*, 13(5): 829-58.

Nag, R., Hambrick, D.C., & Chen, M.J. (2007). What is strategic management really? : Inductive derivation of a consensus definition of the field. *Strategic Management Journal*, 28: 935-955.

Pearson, A.W., Holt, D.T., & Carr, J.C. (in press). Scales in family business studies. In *SAGE Handbook of Family Business*. Edited by Leif Melin, Mattias Nordqvist, and Pramodita Sharma.

Pearson, A. W. & Lumpkin, G.T. (2012). Measurement in family business research: How do we measure up? *Family Business Review*, 24(4): 287–291.

Peter, J. P. (1979). Reliability: A review of psychometric basic and recent marketing practices. *Journal of Marketing Research*, 16, 6-17.

Reay, T. & Whetten, D.A. (2011). What constitutes a theoretical contribution in Family Business? *Family Business Review*, 24(2): 105-110.

Reuber, A.R. (2010). Strengthening your literature review. *Family Business Review*, 23(2): 105-108.

Salvato, C. & Aldrich, H.E. (2012). “That’s Interesting!” In Family Business Research. *Family Business Review*, 25(2): 125-135.

Sciascia, S. & Mazzola, P. (2008). Family involvement in ownership and management: Exploring nonlinear effects on performance. *Family Business Review*, 21: 331-345.

Sharma, P. (2010). Advancing the 3Rs of family business scholarship: Rigor, Relevance, Reach. In *Advances in Entrepreneurship, Firm Emergence, and Growth*, Editors Alex Stewart, G.T.Lumpkin, and J.A.Katz. Volume 12, pp 383-400.

Sharma, P., Chrisman, J.J., & Chua, J.H. (1997). Strategic management of the family firm: Past research and future challenges. *Family Business Review*, 10: 1-35.

Short, J.C., Ketchen Jr., D.J., Combs, J.G. & Ireland, R.D. (2010). Research methods in entrepreneurship: Opportunities and challenges. *Organizational Research Method*, 13(1): 6-15.

Sirmon, D.G. & Hitt, M.A. (2003). Managing resources: Linking unique resources, management, and wealth creation in family firms. *Entrepreneurship Theory & Practice*, 27: 339-358.

Stewart, A. & Hitt, M.A. (2012). Why can't a family business be more like a nonfamily business? Modes of professionalization in family firms. *Family Business Review*, 25(1): 58-86.

Stuart, A. (2011). [Missing Public Companies: Why is the number of public traded companies in the U.S. declining?](#) Cfo.com

Taguiri, R. & Davis, J. (1992). Bivalent attributes of the family firms. *Family Business Review*, 9: 199-208.

Villalonga, B. & Amit, R. (2006). How do family ownership, management and control affect firm value? *Journal of Financial Economics*, 80(2): 385-417.

Westhead, P., & Howorth, C. (2006). Ownership and management issues associated with family firm performance and company objectives. *Family Business Review*, 19(4): 301-316.

Yu, A., Lumpkin, G.T., Sorenson, R.L. & Brigham, K.H. (2012). The landscape of family business outcomes: A summary and numerical taxonomy of dependent variables. *Family Business Review*, 25(1): 33-57.

Zellweger, T.M., Kellermanns, F.W., Chrisman, J.J., & Chua, J.H. (2011). Family control and family firm valuation by family CEOs: The importance of intentions for transgenerational control. *Organization Science*, 1: 1-36.

Zellweger, T.M. & Dehlen, T. (2012). Value is in the eye of the owner: Affect infusion and socioemotional wealth among family firm owners. *Family Business Review*, 25(3):

Zellweger, T.M., Nason, R.S., & Nordqvist, M. (2012). From Longevity of Firms to Transgenerational Entrepreneurship of Families: Introducing Family Entrepreneurial Orientation. *Family Business Review*, 25(2): 136-155.

Appendix A: Reviewers and Discussants for this special issue

With gratitude to the following reviewers and discussants at the Montreal Family Business Conference co-hosted by Michael Carney and Pramodita Sharma from 20-22 October 2010

- Matthew Allen, Babson College, USA
- Guido Corbetta, Bocconi University, Italy
- Robert David, McGill University, Montreal, Canada
- Gibb Dyer Jr., Brigham Young University, USA
- Kimberley Eddleston, Northeastern University, USA
- Marylene Gagne, Concordia University, Montreal, Canada
- Eric Gedajlovic, Simon Fraser University, Vancouver, Canada
- Vipin Gupta, California State University, San Bernadino, USA
- Daniel Holt, Mississippi State University, USA
- Gary Johns, Concordia University, Montreal, Canada
- Martin Kunc, University of Warwick, UK
- Ann Langley, HEC Montreal, Canada
- Moren Levesque, York University, Canada
- Reginald Litz, University of Manitoba, Canada
- Leif Melin, Jonkoping University, Sweden
- Donata Mussolino, Second University of Naples, Italy
- Marie-Agnes Parmentier, HEC Montreal, Canada
- Trish Reay, University of Alberta, Canada
- Bill Schulze, University of Utah, USA

- Paul Shrivastava, Concordia University, Montreal, Canada
- Manisha Singal, Virginia Technical University, USA
- Ritch Sorenson, St. Thomas University, USA
- Alex Stewart, Marquette University, Milwaukee, USA
- Jill Thomas, University of Adelaide, Australia
- Ulrich Wassmer, Concordia University, Montreal, Canada
- Justin Webb, Oklahoma State University, USA
- Zhenyu Wu, University of Manitoba, Canada
- Thomas Zellweger, St. Gallen University, Switzerland