Practicing Resilience in Family Firms: An Investigation through Phenomenography

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Abstract

Despite the growing interest in resilience in family business, the current literature overlooks the contribution of owners/managers in practicing resilience. We focus on the experiences and practices of owners/managers of family businesses, and apply phenomenography, an interpretive methodology, to capture variations in how owners/managers understand and practice resilience in longstanding Australian and Italian family wineries. The findings show that owners/managers' resilience practices are determined by four qualitatively different understandings of resilience. Our understanding-based theory provides a novel interpretation of resilience in the family business field, challenging the rationalistic approach by demonstrating that resilience is not universal but multifarious, such that the owners/managers' understanding of resilience determines how resilience is practiced.

Keywords: Family firm, Resilience, Longevity, Phenomenography, Understandings

1. Introduction

Resilience is the ability to avoid, absorb, respond to, and recover from, situations of change (Lengnick-Hall & Beck, 2005). A longstanding family business is a resilient form of organization demonstrating continuity and the capacity to survive and thrive over long periods of time (Bertrand & Schoar, 2006). In the family business (FB) literature, attempts have been made to explain the continuity of family firms in times of change, using factors and frameworks such as long-term (Lumpkin & Brigham, 2011) and entrepreneurial orientation (Zellweger & Sieger, 2012), socioemotional wealth (Berrone, Cruz, & Gomez-Mejia, 2012), intra-firm succession (Handler & Kram, 1988), the FIRO model (Danes, Rueter, Kwon, & Doherty, 2002), and stewardship theory (Miller, Le Breton-Miller, & Scholnick, 2008). Nonetheless, few studies directly address the resilience of family-owned businesses (Acquaah, Amoako-Gyampah, & Jayaram, 2011; Brewton, Danes, Stafford, & Haynes, 2010; Campopiano, De Massis, & Kotlar, 2018; Chrisman, Chua, & Steier, 2011; Danes et al., 2009; van Essen Strike, Carney, & Sapp, 2015) despite its widely recognized relevance as a key attribute of an organization's continuity (Linnenluecke, 2017). Indeed, resilience is critical to increasing the odds of preserving and passing the business on to the next generation of family members and ensuring continuity (Chrisman et al., 2011).

We acknowledge the advances of existing rationalistic explanations of resilience and business continuity, particularly in the family business field. However, we argue these theories overlook how people *act* in organizational contexts, and especially how resilience as a strategy in practice manifests through the daily actions of owners/managers. Current rationalistic explanations conceptualize resilience as an attribute that organizations and/or individuals *possess*, rather than how managers *act* and the practices they *enact*. In particular, we contend that individual actions leading to organizational outcomes such as resilience do not adequately explain the heterogeneity of activities observable in dynamic, transient, and unpredictable real-world business contexts. We also argue that existing explanations of resilience only partly account for the predictive nature of managers' characteristics in strategizing and strategic decision making (Hambrick, 2007; Miller, Burke, & Glick, 1998) in relation to the longevity of businesses, especially family businesses.

To overcome these limitations, we investigate resilience by focusing on how it is constituted and experienced by individual owners/managers in longstanding family businesses, i.e., what resilience means to them and how such meaning shapes their conduct in daily activities to sustain their business. In so doing, we ask: *How do owners/managers understand and practice resilience in their family business?* In addressing this question, we assert that resilience is situational and context-dependent, and conceptualize the owners/managers and their experiences and practices of resilience as a single entity. We adopt an interpretive lens to guide our practice-based enquiry as 'activity in the making', rather than a 'static outcome' practice (Feldman & Orlikowski, 2011). We apply phenomenography as an interpretive qualitative methodology to capture the heterogeneity of the ways family businesses successfully manage change for long-term business continuity, i.e., efforts to create a business with long-run benefits for family members (Lumpkin & Brigham, 2011; Miller & Le Breton-Miller, 2005).

Our interpretive practice-based approach underpinned by a life-world perspective (Sandberg & Dall'Alba, 2009) provides the means for a new way of conceptualizing resilience in practice, and a deeper understanding of: i) the role of owners/managers in the heterogeneity of approaches to resilience as a practice; ii) the heterogeneity of resilience activities during times of change; iii) the variation in the way each resilience activity is practiced in a real-world context.

We frame our research in the context of longstanding family owned/managed wineries. These family businesses, like others, are characterized by vexing issues relating to inheritance, inter-generational succession disputes, unexpected deaths of key family members, financial and resource constraints, on-going matters relating to their business relevance, and the continuing pressure of competitiveness. These factors are of fundamental interest in FB research, and we provide evidence of these in the stories and interpretations that follow. Our focus however is on advancing explanations of resilience in family businesses through the experiences and practices of owners/managers related to resilience and business continuity.

Our contribution to the field is a novel interpretation of resilience in family firms not as a universal but a multifarious concept. More importantly, our identification and articulation of four qualitatively different understandings of resilience and their associated practices add value to current resilience theory and practice. Our findings challenge and move beyond attribute approaches in explanations that focus on the firm, but also individual characteristics, such as upper echelon and entrepreneurial-based theory (Hambrick, 2007; Miller et al., 1998).

The following section presents a critical evaluation of extant frameworks on resilience within the business and economics field, and particularly family business studies. We then take due account of the different paradigms underlying studies that investigate firm outcomes – such as resilience – at the individual level of analysis. Phenomenography as a suitable analytic practice is subsequently introduced and elaborated on. Our findings present the four different qualitative ways in which owners/managers understand and practice resilience. Thereafter, we propose and discuss the contribution of owners/managers' understandings of family firm resilience and develop an understanding-based theory of resilience. Finally, we provide managerial and practical implications, as well as limitations and suggestions for further research.

2. Explaining resilience of firms and family firms through a rational lens

Guided by rationalistic assumptions, resilience research in the business and management literature converges on two themes: on one side, *firm-oriented* approaches investigate the characteristics and processes of resilience at the firm level. As such, resilience is conceived and identified as a set of attributes and actions, implying that the practice of resilience is a firm attribute, separate and independent of the individuals involved in such activities. On the other side, resilience, and more widely continuity, of family businesses is explained through an *individual-oriented* approach, exploring the characteristics, attributes, psychological traits, experiences, and the pre-acquired knowledge of owners/managers.

In firm-oriented studies, one research stream can be labelled as the *engineering* approach (Demmer, Vickery, & Calantone, 2011; Simmie & Martin, 2010), which considers resilience as the capacity of an altered system to recover its previous state of equilibrium. According to this view, resilience is a property of the firm, a construct that can be measured through a set of objective and measurable attributes (Baumann & Fabian, 2013; Erol, Henry, Sauser, & Mansouri, 2010; Hosseini, Barker, & Ramirez-Marquez, 2016), e.g., firm size, number of employees, geographic location, to test the firm's resilience capacity in the face of disasters or turbulent events (Aldunce, Beilin, Handmer, & Howden, 2014; Klein, Nicholls, & Thomalla, 2003).

The second research stream, the *ecological* approach, considers resilience as the capacity of a system exposed to change to adapt to and overcome a situation that threatens its stability, reaching a new point of equilibrium. According to this perspective (Folke et al., 2002; Gunderson & Holling, 2001; Holling, 2001; Plummer & Armitage, 2007; Walker, Holling, Carpenter, & Kinzig, 2004), to survive when facing change, firms develop and strengthen their adaptive capabilities. The resources and capabilities that firms exploit to build situation-specific responses, as well as their intrinsic characteristics, lead to stronger performance when the equilibrium changes (Pal, Torstensson, & Mattila, 2014; Ates et al., 2011). According to FB studies that investigate resilience through a firm-oriented approach (Acquaah, Amoako-Gyampah, & Jayaram, 2011; Amann & Jaussaud, 2012; Brewton et al., 2010; Chrisman et al., 2011; Danes et al., 2009; Patel & Fiet, 2011), the firm, the family, and the individual are conceived as separate entities, implying that strategies, practices, and actions leading to achieving the noneconomic outcome of business resilience are independent of the owners/managers who manage the business. In particular, Chrisman et al. (2011) in their review suggest that resilient family businesses successfully apply different strategies: arranged marriages as an intrafamily succession plan in both developed and developing economies (Mehrotra, Morck, Shim, & Wiwattanakantang, 2011), long-term orientation and multi-temporality (Lumpkin & Brigham, 2011; Miller & Le Breton-Miller, 2005), knowledge and opportunity identification (Patel & Fiet, 2011; Sharma & Salvato, 2011), social capital and social exchange.

In individual-oriented studies, the characteristics of those running the business are predictors of their strategic decisions and actions. According to this perspective, managers who are able to recognize and enact the 'best practices' and 'right' behaviors (i.e., more engaged and knowledgeable about the business, less oriented to risky or opportunistic decisions, recognizing market opportunities) promote the firm's continuity that is consequently able to survive and prosper, thus resilient over time. Those who do not apply such strategies are likely to fail (Miller & Shamsie, 2001; Zahra, 2005). The upper echelon theory (UET) research stream (Hambrick, 2007) asserts that top managers' strategic orientation is formed by personal characteristics, in other words, psychological properties and observable experiences (Hoskisson, Chirico, Zyung, & Gambeta, 2017). Executives' perception of reality is shaped by their 'orientation', and their strategic choices are a reflection of this orientation. In the psychological properties research stream, UET scholars have conducted research on the values (Hambrick & Brandon, 1988), cognitive models (Eggers & Kaplan, 2013; Helfat & Peteraf, 2015; Miller et al., 1998), and personality traits of those running the business, e.g., core self-evaluation (Simsek, Heavey, & Veiga, 2010), hubris (Hiller & Hambrick, 2005), narcissism

(Chatterjee & Hambrick, 2007), and overconfidence (Galasso & Simcoe, 2011; Malmendier & Tate, 2005). Overall, executives' personality research asserts that managers with different characteristics adopt different strategic decisions in different contexts, leading to a different set of actions. Scholars in this field measure the predictive nature of psychological traits on the strategic direction and orientation of firms, as well as performance. The UET research on executive experience characteristics (Finkelstein, Hambrick, & Cannella, 2009; Hambrick & Mason, 1984; Hitt & Tyler, 1991) studies the correlation between executive tenure, functional, professional, and educational experience versus firm innovation, experimentation, technological dynamism, R&D spending, risk taking, diversification, acquisition, internationalization, and strategic change.

Extending the upper echelon perspective to family business, scholars explore how CEO and top management team characteristics and demographic attributes are associated with health and performance (Khurrum, Bhutta, Asad, & Rana, 2008), risk orientation (Kraiczy, Hack, & Kellermanns, 2015), entrepreneurial behavior (Kellermanns, Eddleston, Barnett, & Pearson, 2008; De Massis, Eddleston, & Rovelli, 2020), as well as the attitudes and characteristics of non-family members (Binacci, Peruffo, Oriani, & Minichilli, 2016) and new generations in the top management team (Goldberg & Wooldridge, 1993).

The literature on resilience in entrepreneurship suggests that a resilient entrepreneur is positively associated with a successful and resilient enterprise (Ayala & Manzano, 2014; Bullough & Renko, 2013). Considering the firm and individual approach to resilience, Branicki, Sullivan-Taylor, and Livschitz (2017) apply a multilevel perspective, exploring how the behaviors and attributes of resilient entrepreneurs contribute to the creation of resilient firms.

Although the many studies that explore the characteristics of owners and CEOs have contributed to our knowledge on family firms' strategic orientation and resilience, they provide only a partial explanation of the heterogeneity of resilient behaviors observable in the real-world context, both at the firm and the individual level of analysis. Generally, current firm-oriented theories overlook owners/managers in the creation of resilient firms, while individual-oriented theories assume that the individual traits of those who manage the business create firm resilience, yet exclude resilience practices. Furthermore, extant theories neglect the role of managers' understandings in the creation of resilient firms, and how these determine how resilience is practiced in daily operations.

2.1. Introducing a practice approach to resilience

Despite the contributions of these studies, the literature on the resilience of firms and family firms does not address the question of how resilience is understood and practiced by owners/managers, providing only incomplete explanations on the heterogeneity of longstanding and resilient family firm behaviors. In particular, firm-level rationalistic theories exclude the role of owners/managers in building and practicing resilience, and neglect the idiosyncratic actions and activities of managers that result in different practices observed in a real-world context. Relying only on this research tradition limits our understanding of family and business dynamics in times of change, and disregards individuals' contributions to firm resilience.

As a way to explain heterogeneity in the practice of resilience among similar organizations, i.e., longstanding family businesses, we offer a constructivist paradigm where knowledge is socially constructed by interactions among humans to investigate the issue (Gergen, 1995; Luckmann, 1966). The value of the constructivist paradigm has been widely recognized, and we agree with Nordqvist, Hall, and Melin (2009), Reay and Zhang (2014), and Leppäaho, Plakoyiannaki, and Dimitratos (2016) that interpretive approaches provide a different lens to reveal deeper knowledge of phenomena in FB studies. In light of this, we suggest that an interpretive approach to resilience could provide a new contribution to the FB literature by: i) re-conceptualizing resilience as context-dependent attribute of family firms; ii) exploring *which* activities owners/managers actually perform when practicing resilience; and iii) looking at the variations in individual experiences, namely, *how* owners/managers perform these activities in practice.

In this study, we adopt the definition of resilience that Lengnick-Hall and Beck (2005) propose: the ability of organizations to avoid, absorb, respond to, and recover from, situations that could threaten their existence. Furthermore, we conceptualize resilience *practice* as the set of different people's activities (e.g., doing or saying), organized according to understandings (O'Leary & Sandberg, 2017; Schatzki, 2012) and knowing (Feldman & Orlikowski, 2011). Understandings are not intended here as, "Oh, I get it; I got the point" (Lamb, Sandberg, & Liesch, 2011), but represent what something *means*, the "people's ways of experiencing or making sense of their world" (Sandberg 2000: 12). It is through our understanding of the world that we feel emotions, develop our feelings, and consequently decide how to behave, the decision we will take, and how we will act (Holt & Sandberg, 2011; Sandberg & Targama, 2007). More specifically, understandings can be described by four characteristics (Lamb, 2009): i) individuals form and develop their own understandings that are socially constructed and reconstructed through their experiences and interactions with the world. They address the relationship of individuals with their own reality, and respond to questions about 'what' a phenomenon is, 'how' it works, and 'why' it is so (Sandberg and Targama, 2007); ii) understandings originate through social interaction and engagement with other individuals in society, and are learnt through social practices. Therefore, they are personal, embodied in each individual, and relate to their personal experiences and their world (Sandberg & Targama, 2007); iii) individuals continually construct and reconstruct their understandings as a consequence of their social interactions. In this perspective, understandings evolve, change, and adapt, in line with modifying the individual's understanding of reality (Sandberg &

Targama, 2007); iv) the development of understanding is circular and not linear, meaning that understanding is built on the previous interpretation of the world, and embodied in a particular practical context (Sandberg & Targama, 2007), which in our case are family businesses.

3. Phenomenography: An interpretive approach to unveil the understanding and practice of resilience of family firms

We chose an alternative interpretive lens where our study is guided by assumptions of a life-world ontology. It stipulates that the person and the world are inextricably related to the person's lived experiences of the world, as well as reserarcher and researched object (Husserl 1970; Schutz 1953), and that human reality is socially constructed through on-going actions, negotiations between individuals (Berger & Luckmann 1966). In so doing, we reject rationalistic assumptions of a dualistic ontology and an objectivistic epistemology. Accordingly, we chose phenomenography as an appropriate methodology to investigate how owners/managers understand and practice resilience to apprehend what resilience means to them, and how, according to their understandings, they practice resilience to advance our knowledge of the resilience of firms. Phenomenography is a variance-based methodology and its nature is to capture possible variation. It was established in Sweden in the 1970s (Marton, 1981), mainly adopted in education (Linder & Marshall, 2003) and health sciences (Sjöström & Dahlgren, 2002), and increasingly used in the management field (Lamb et al., 2011; O'Leary & Sandberg, 2017). To our best knowledge, this is the first study to apply this methodological approach in the FB literature. By doing so, we also addressed the recent call by Murphy, Huybrechts and Lambrechts (2019) that invite FB scholars to draw on phenomenography – alongside other qualitative methods – in order to build theories on family business phenomena that are "grounded in and connected with the experiences and everyday-life reality of those who live in that world" (ibid: 420).

Similarly to other interpretive research traditions, the primary focus of phenomenography is "on the meaning structured of lived experience, that is, the meaning an aspect of reality takes on for people studied" (Sandberg, 2000: 12). Phenomenography allows researchers to capture the complexity and variation (Sandberg, 2000) of understandings, and how those understandings determine variations in practice.

We acknowledge that there are other qualitative methodologies suitable to study resilience in family firms, such as ethnography, ethnomethodology, grounded theory, and case studies (Fletcher, De Massis & Nordqvist, 2016; De Massis & Kotlar, 2014). However, in interpretive research, each of these methodologies addresses different research questions. For illustration, ethnography according to Patton (1990) answers the question: what is the culture of this *group*? Feldman and Orlikowski (2011) use ethnography to reveal how work routines are constituted and performed by people at the research site, later explaining that for the group(s) under study, resources take on different meanings when they are applied. The outcomes are explanations of work routines and resources for the *group* as a whole. Commonality and not variation within group(s) is the goal of ethnography as is the case for the other methodologies. Variation is at the heart of phenomenography, identifying variations in how a group of people understand a particular phenomenon, in our case the understandings of resilience of owners-managers of family businesses and how they enact and practice resilience.

Therefore, phenomenography allows: i) capturing the qualitative *variation* in people's understandings and practices of a particular aspect of reality (Marton, 1986); ii) considering possible *relationships* between people's different understandings of an aspect of reality; iii) exploring the *enactment of practice* and group activities according to practitioners' understandings of their practice. For these reasons, we contend that phenomenography is an appropriate methodology to empirically investigate how owners/managers of longstanding family businesses understand and practice resilience.

In applying phenomenography, we followed the guidelines of Marton (1986), Marton and Pong (2005), and the structure of the method section illustrated in Lamb et al. (2011) and O'Leary and Sandberg (2017).

4. Methodology

4.1. Empirical context and participants

We selected the wine industry as our research context, focusing on two wine producing countries – Italy and Australia – to fit our sampling thought for greatest possible variation. In fact, Italy and Australia not only provide variation as they are two different countries but they also belong to two radically different wine business industries, i.e. Old World and New World. Specifically, Italy is the first world's leading producer of wine in terms of volume and the second one in terms of revenues, after France (Ufficio Studi Mediobanca, 2018); while Australia is one of the leading countries in the Southern Hemisphere 'New World' wine market. Both the Italian and Australian industries are century old sectors, characterized by long lasting family wineries where there is an increasing expansion of multinational companies. We also consider the wine industry a suitable empirical context to investigate resilience due to the many unpredictable shocks (i.e., extreme environmental conditions) and changes (i.e., in consumer tastes and behaviors) in this industry that force firms to be more adaptive and resilient in managing internal and external crises or unexpected events in day-to-day operations.

The two contexts of analysis, Italy and Australia, were selected according to the authors' knowledge of the industry and personal networks in the respective contexts (i.e. Italian for the first author, Australian for the second). In this context, the longstanding family owned/managed wineries demonstrated high levels of resilience over time. The sampling frame started from the basis of resilience. We had a list of 300 long lasting Australian and Italian wineries as we considered age as a prelimary empirical evidence of firm resilience. We also looked for wineries that were recently shocked by something unexpected (i.e. the death of the previous owner, a change of property, new investors) in order to have the perspective of an owner/manager that was dealing with a shock at the time of the interview. Moreover, we thought that family wineries were the perfect case for investigating the practice of resilience because long lasting family businesses are resilient form of business (Chrisman, Chua, & Steier, 2011).

Starting from a random sample of 100 wineries within the list, we selected for interview 25 according to the following criteria: i) they have been family firms according to Chua, Chrisman, and Sharma's (1999: 25) definition, i.e., the family business is governed and/or managed with the intention to shape and/or pursue the vision of the dominant coalition controlled by members of the same family in a manner that is potentially sustainable across generations of the family; ii) they have been owned and managed by the same family for 50 years or more, iii) the owners/managers are as heterogeneous as possible in terms of socio-demographic background (gender, role, education) and managing roles in their firms; iv) they were available for repeated interviews and/or contact. We reached saturation with a sample of 17 wineries: 8 operating in Oltrepò Pavese (Lombardy), one of the oldest wine regions in Italy (Maffi, 2012); 5 in Rutherglen (Victoria, Australia), 2 in McLaren Vale, and 2 in Langhorne Creek and Barossa Valley (South Australia). Table 1 provides the description of the cases and participants.

(Insert Table 1 about here)

Participants were purposely selected to achieve maximum variation in the different ways they give meaning to resilience and practice it in their daily lives. The length of each participant's work experience within and outside the family business was also considered for inclusion in the sample. Beyond these criteria, we also increased the variation in the sample by including males and females equally. Table 2 provides descriptive characteristics of participants showing the heterogeneity of the sample. In particular, 14 participants are owners/managers, but also assume other roles within their firms, such as winemakers, marketing and executive managers; the remaining 3 participants are non-family managers. The final selection of 17 participants is consistent with the theoretical saturation criterion proposed by Kvale (1996) (between 15 and 25) and deemed sufficient to capture variation – Åkerlind (2005) suggests between 10 and 20 interviews. The number of in depth interviews is also in line with redundancy levels recorded in previous phenomenographic studies (Angel, Jenkins, & Stephens, 2018; Lamb et al., 2011). We also stopped interviewing at 17 participants because, as we were analyzing data, we concluded we had reached "theoretical saturation" (Guest, Bunce, & Johnson, 2006). At this point of the analytical process, we sensed nothing new was emerging from the raw data or significantly adding relevant findings to the outcomes already identified. This is consistent with previous phenomenographic studies, where saturation is interpreted as repetition of findings, which usually occurs between 15-20 participants. For instance in Sandberg's (2000) work on human competence at work, findings of how workers understood competence became repetitive after 15 interviews (MacGillivray, 2010).

(Insert Table 2 about here)

4.2. Data collection

4.2.1. Interview design

To explore how owners/managers give meaning to and consequently practice resilience in family owned businesses, we chose semi-structured interviews as our data collection method. In researching practices, interviews enable documenting participants' reflective temporal journeys and how the activities of a practice are organized at different times, that is, how they are linked and how they evolve (Schatzki, 2012). Although each interview covered different aspects of enquiry, the sequence of questions can change to probe the answers that participants provide (Kvale & Brinkman, 2009).

While a phenomenographic interview is similar to other interpretive methods, the questions are specifically designed to capture the maximum variation in how respondents understand aspects of their reality. Therefore, during the interviews, the sequence and form of questions to capture participants' understandings of resilience and the way it is practiced were open to change. We asked two primary open-ended questions: 'How do you perceive changes that impact your business?' and 'In your opinion, which are the activities that sustain your business over time?' A series of secondary questions such as 'Can you tell me more about that', or 'Could you give me some examples of what you are saying?' were asked to probe for deeper meaning and clarification regarding their views and experiences of resilience, i.e., how they understand and practice it. Throughout the course of the interviews, we chose not provide participants with preconceived definitions or explanations of resilience so as not to constrain their responses (see O'Leary & Sandberg, 2017; Sandberg, 2000).

4.2.2. Interview process

The first phase of interviewing took place between January and March 2016, and included interviews with Australian owners/managers in Rutherglen in Victoria and the South Australia wine regions. Each face-to-face interview in Australia was conducted in English, despite Italian being the first author's native tongue, relying upon the second author, who is Australian, for support with colloquialisms, jargon, and conversational clarifications arising from the participants' discussions. In addition, before meeting the participants, the authors discussed the structure of the interviews and the question formulation to achieve the equivalence of meaning (Chidlow, Plakoyiannaki, & Welch, 2014; Squires, 2009). The second phase took place between May and September 2016, and was developed in Italy, where the first author, supported by an Italian researcher, conducted face-to-face interviews in Italian in Oltrepò

Pavese, following the same protocol used for the Australian participants.

For 15 of the 17 cases, the interviews took place onsite at the wineries, whereas the other two were held at the company headquarters and a public space in Adelaide. Each interview started with a brief conversation describing the purpose and ethical implications of participating in the study. We then provided each participant with a description of the project and the conditions of their involvement, plus a consensus form to allow recording the conversation and disseminating the data. All recordings were transcribed verbatim by native Australian and Italian transcribers, resulting in 400 pages of single-spaced text, integrated with secondary data: field notes, industry-based reports, and website information. Finally, the third data collection phase involved site visits and follow-ups with the owners/managers to exchange ideas, test our model, and verify the equivalence of meanings in developing our interpretations. This phase helped us reach communicative and pragmatic validity, as Sandberg (2000, 2005) suggests.

4.3. Phenomenographic analysis

The phenomenographic analysis of the empirical material was developed following the guidelines that Marton (1981), Marton and Pong (2005), and Lamb et al. (2011) proposed, and the data analysis protocol of Angel et al. (2018). The analysis phase was carried out to explore: i) individual understandings of resilience (i.e., the meaning owners/managers give to resilience); ii) the core activities enacted when practicing resilience; and iii) how their understandings relate to the ways of practicing resilience. We used the qualitative research software NVivo 11 Pro version to organize the large amount of material collected and manage the codes that emerged from the analysis of the transcripts. All the transcriptions were coded in English (the Italian previously translated into English to facilitate a joint analysis by the authors), paying attention to the equivalence of meanings during the coding process. The analysis consisted in an iterative and interpretive process in which the researcher alternates readings, inductively allowing the emergence of first *how* the owners/managers understood resilience, and second, *what* constituted resilience as a practice for them. The *how* analysis allowed identifying the variation of understandings of resilience, and the *what* analysis the set of resilience practices. Specifically, the analysis consisted of three analytical stages: the *how* analysis, the *what* analysis, and the *what* and *how* analysis simultaneously.

In the first stage, the preliminary familiarization of transcripts allowed capturing our first interpretation of the various understandings by not focusing on specific words or statements, but on the general view of what emerged. At the end of the familiarization phase, we described each interviewee and grouped them according to a similar understanding of resilience. For each understanding, we selected representative quotes of *how* owners/managers understood resilience (e.g., adaptation, bouncing back, renewal, consolidation, etc.), while listing a set of common descriptors for each group, also useful to compare the variations and overlap among understandings. By comparing the similarities and differences, four different preliminary understandings emerged, and we grouped owners/managers according to the dominant orientation of their general understanding of resilience, namely, resilience as the ability to 'prepare for', 'control', 'adapt to', or 'absorb' change. Table 3 provides the illustrative examples.

(Insert Table 3 about here)

The second stage started by exploring *what* owners/managers do to practice resilience. We focused our analysis on the activities they undertook to practice resilience in their daily working lives, namely, which set of activities they adopt to adequately manage situations of change that have, are, or will involve their family business, threatening its stability. We read the transcripts one by one, identifying and highlighting specific statements in which the owners/managers describe what they do to manage change/crises/unexpected events. Then, we carried out the same analysis within each group – previously identified in the *how* analysis –

through an iterative process in which we analyzed the similarities and differences. Finally, we compared statements across groups and again within groups. The iterative process also entailed categorizing the statements into a set of overarching dimensions that describe what owners/managers do in practice when facing situations of change/crisis. Owners/managers described what they do when practicing resilience by referring to four main activities: managing knowledge and opportunities, renewing the organizational identity, managing uncertainty through control, reducing risk through diversification (see the illustrative examples in Table 4).

For each group, we wrote a short summary integrating field notes and secondary data. We challenged our interpretations with bilingual researchers to validate the conceptual equivalence of meanings and ensure the trustworthiness of the study.

(Insert Table 4 about here)

In the third stage, we considered both *what* the owner/mangers do in practicing resilience and *how* they understand it by examining each strategy according to their understanding of resilience. In this stage, we read the transcripts to ascertain how an activity was practiced in relation to the understanding of resilience in the entire transcript. We then read the entire transcript again focusing on how the meaning of resilience was reflected in the resilience activities identified. We also reread each transcript imposing another understanding to test the robustness of each understanding, until we were confident that each categorization remained stable.

From this analytical process, we found that while owners/managers practice resilience through the same activities (managing knowledge and opportunities, renewing the organizational identity, managing uncertainty through control, reducing risk through diversification), the way they practice each activity is determined by how they give meaning to and understand resilience. In total, we identified four qualitatively different understandings of resilience that we label: *proactive development*, *predictive control*, *adaptive consolidation,* and *stable perpetuation*. Three owners/managers expressed Understanding 1 (proactive development), five Understanding 2 (predictive control), five Understanding 3 (adaptive consolidation), and four Understanding 4 (stable perpetuation).

4.4 Validity and reliability criteria

In line with Sandberg (2000, 2005), we tested the soundness of the method with criteria for justifying knowledge produced under interpretive approaches: communicative validity, encompassing the use of dialogue to debate disparate knowledge claims throughout the research process and establishing a community of interpretation (Kvale, 1989); pragmatic validity: testing the knowledge produced in action (Kvale, 1989); transgressive validity: asking the researcher to be aware of their taken-for-granted frameworks and search for possible contradictions and differences rather than coherence of interpretations (Sandberg, 2005); reliability as interpretive awareness: the researchers acknowledge they have their own interpretations that have to be managed throughout the research process due to the plausibility of separating the researcher form his/her interpretations throughout the process (Sandberg, 2005).

To achieve communicative validity, we sent each participant an abstract of the research before the interview, explaining the purpose of our visit. During the interview, we reintroduced ourselves, and each question was followed-up with secondary questions to allow the participants to clearly express themselves and ensure we understood their statements. The participants then sustained their statements with some examples, thus obtaining pragmatic validity. Comparing contradictions and differences allowed us to achieve transgressive validity. We started the analysis of each transcript without preconceived ideas, as we were not looking for similarities among participants, but challenged each understanding by examining possible contradictions and searching for new interpretations. Finally, reliability as interpretative awareness was attained by grounding each new interpretation in the data.

The next section presents the findings of the phenomenographic analysis. Quotes extrapolated from the interviews of the Italian participants have been translated into English.

5. The understandings of resilience in the world of wine

5.1. Contextual background

The family wineries operate in a dynamic environment that is constantly challenged by a multitude of cultural, institutional, and regulatory changes that threaten their stability. Markets are turbulent and competition from other emerging Southern Hemisphere producers, such as Argentina and Chile, are challenging the predominance of countries in the Old World, such as Italy, but also well-established New World actors in the wine market, such as Australia. Moreover, Italy is facing an increasing decline in annual per capita wine consumption, encouraging producers to explore the benefits of international markets. On the other side, Australia experienced a 'wine boom' with increasing consumption. The 'wine bubble' that affected the sector in the late 2000s led to an oversupply of production, and was overcome with a shift from quantity to quality production.

5.2. Four understandings of resilience in family owned wineries

We identified four qualitatively different ways in which owners/managers of family wineries understand resilience: proactive development, predictive control, adaptive consolidation, and stable perpetuation. The four different understandings determine how resilience is practiced in each of the four activities: *managing knowledge and opportunities*, *renewing the organizational identity*, *managing uncertainty through control*, *reducing risk through diversification*.

Table 5 outlines how each understanding determines the way resilience is practiced, which we examine in more detail in the following sections.

(Insert Table 5 about here)

5.2.1. Understanding 1: Resilience as proactive development

In Understanding 1, owners/managers view resilience as a proactive development of the business, practiced through anticipatory activities – before unexpected changes occur – to adapt to changes and ensure stability. In this group, resilience is understood as the ability to develop the business so that it is ready to reduce the effects of 'something unexpected' on its stability, and adapt when changes arise. In practicing resilience, this group emphasizes the question: *How can I prepare the business to be ready?* The owners/managers are family members who recently inherited or took over the winery from their parents, managing a business that has just gone through an organizational change and the difficulties related to transgenerational succession. Change is inevitable and mostly unpredictable and unforeseen, so they prepare themselves and their business to deal with changes deriving from the market or the family. For instance, the owner/manager of case vic5 is the young daughter of the co-owner who died prematurely, and six months later, the grandfather co-owner passed away without a succession plan for his century-old family business. In case ol13, the owner/manager is the son of the previous owner and has revolutionized the business with his brother, adding the vinification and bottling phases, integrating a family business that was formerly focused on viticulture. This renewal – in his perspective – is the only way to emerge as a premium wine brand and ensure the business survives in a territory (i.e. Oltrepò) that currently has a negative reputation due to recent production scandals and fraud. In a similar vein, case sa5 is currently managed by a family member and her siblings who are diversifying the offer by integrating a natural grape juice into their product portfolio as a strategy to survive in the highly competitive Australian market.

These individuals practice resilience as a way to prepare for changes that might alter the equilibrium of the business. They fear that something may happen and upset their plans, and are not yet confident that their business is ‘solid’ enough to survive in the near future.

> “I think a lot of people aren’t prepared to acknowledge that life can be taken away at any moment. You have to be ready, because what is happening now is we’re dealing with issues that weren’t discussed… I guess the business wasn’t prepared for at that time and that’s made it really challenging, but I hope in the long run it makes us a better business, because we’re being forced to ask and to answer those questions, like I hope it does make us better prepared for the future of the wine industry here, because we are... Yeah, we’re probably making the changes and discussing the difficult things that probably should have been discussed in the past” (vic5)

This group constantly looks forward in a long-term perspective. For these owners/managers, managing a resilient business means ‘acting in advance’, so that when something arrives, they are ready to face it. In *managing knowledge and opportunities*, they practice resilience as personal updating on key facts and trends, so that they know what is going to happen, can discover new opportunities, and consequently anticipate situations that might threaten the stability of the family business.

> “Looking at the changes, or trying to not predict changes, but being aware that things are changing so much faster now, so... you have to be looking for the trends, changes, the challenges, opportunities” (vic5)

Moreover, they are aware they can improve resilience.

> “…with a little bit of curiosity and the willingness to look at different realities, moving around, staying away from home for a while to see something different” (ol13)

When practicing resilience by *renewing the organizational identity,* they manage change by adapting the business to their new vision (as incumbents), reshaping the traits and characteristics of the organizational identity, always looking forward because it is the only way to survive.

> “Who are we, and what do we stand for... someone asked us [successors: daughter and mother], ‘Oh, so who is, who are you?’ And we had the same run-of-the-mill answer that we’d had for generations, and we didn’t really know, and it didn’t feel authentic... now we have a new direction, a new strategy, and I think that’s the only way forward for us” (vic5)

Owners/managers within this understanding practice resilience through reshaping the organizational identity by constantly comparing how they conceive the business now, in the near future, and in the past.

> "What are we? We are a family business, a relatively young business, with a vision that is different from what it was in the past" (ol13)

When *managing uncertainty through control*, they practice resilience by exerting a form of internal control that they achieve through investments in innovation, research and development, so that an increasing internal systematization of production processes might help them adapt to the impact of something unexpected.

> "We can't just keep on moving, do the things that we always did, we need to change something if we want a little bit of stability" (vic5)

In *reducing risk through diversification*, resilience means differentiating to meet market needs with the main goal of always being 'on track', acting in advance so that they always have the 'right' wine/product according to market demand. For them, practicing resilience through diversification means preparing the business to face market changes.

> "We are always quite ready to do many things so we have many fingers in many pies... we're always willing to make changes to our production area, to keep up with what's going on" (sa5)

5.2.2. Understanding 2: Resilience as predictive control

In Understanding 2, owners/managers give meaning to resilience as the ability to predict change, exerting control on any kind of internal or external change. As in Understanding 1, they act in advance, but their aim is different: these individuals do not practice resilience to adapt to change, but to avoid it, or when inevitable, to absorb it, maintaining the business unaltered. In practicing resilience, for these owners/managers it is all about answering the question: *How can I see unexpected things coming?* In this group, owners/managers preserve the stability of their business by literally avoiding any kind of change or trying to reduce to the minimum the likelihood of being affected, relying on their experience to predict any sort of 'unexpected surprise'.

> "It doesn't matter how long you been in the business, something can change and the business can fall down if you don't keep an eye on it" (vic2)

Change is not the issue, because it is simply 'not in their way', so practicing resilience is not related to the type of change or event, but to finding solutions to see it coming, so that they can avoid it by sidestepping it or at least minimize it. Compared to Understanding 1, they do not practice resilience to be ready, but to literally bypass change.

> "There's no point getting cranky about something you can't control; you just put the controls in place that you can. So I suppose fortunately even though things are becoming more unpredictable, we're getting better at being able to see them coming" (vic2)

They are family members, primarily middle-aged men with relevant experience in the field, having worked most of their lives within and for the family winery. These owners/managers currently manage resilience with a leading attitude.

> "The business needs the one [a leader] that allows all the others to work, but at the same time he has to control them. As a father, one has to control everything that happens in the family" (ol5)

In particular, four are successors of the previous generation that is still alive and partially involved in the executive board of the business. One informant is the founder of the business, but is about to retire and pass it on to his daughters. Owners/managers within this group operate in a controlled niche as price leaders and do not perceive competition as a threat.

> "There's room for everyone. But yes, it does cause a bit of disturbance, but we don't worry. You don't have to worry what others around the world do. We can't do anything about it, why worry?" (sa6)

In contrast to Understanding 1, this group does not seek to discover new trends when *managing knowledge and opportunities*. Conversely, they strongly emphasize the creation of opportunities because "you make your own luck, the harder you work the luckier you become" (sa6). Moreover, their knowledge relies on significant work experience and is integrated with daily updates to capture new clients and bring them into their market niche.

> "By making these fortified wines, we put ourselves in a corner and made ourselves a niche. And it's a niche that is good in some respects, we are not a price taker, we decide the price" (vic2)

In *renewing the organizational identity*, they practice resilience not by adapting the business values and characteristics to the new vision of the successors as in Understanding 1. On the contrary, the firm's identity is naturally an extension of their personality, a transition to the business, and each employee and family member has to passively accept it. They do not simply take over the business from the incumbents, but radically impose their own identity on the organization, even if their parents are still part of the business. They have a "revolution in mind" (ol5), and instead of generating conflicts, the tension that might arise from competing identities among the previous and subsequent generations threatening the business stability and family harmony is managed by imposing strong leadership.

> "My mother and my father always told me: 'the company is there, what you decide to do determines what I will do'… When finally I decided to take over the business, I immediately started to put my name and my signature on those 350 thousand bottles" (ol1)

In *managing uncertainty through control*, they practice resilience by accepting external uncertainty with a rational attitude. Compared to Understanding 1, they do not only exert control internally but also in their niche, because "the final goal is imposing, because if we don't impose something that the others don't have, we die" (ol5). They aim at "baiting the hook" (vic2) and enhancing their leading position, so that when they control the niche, they can also control and avoid threatening events.

In *reducing risk through diversification,* they consolidate the niche, differentiating at the business level with other agricultural-based activities, or investing in additional facilities, such as a restaurant or farm holidays. Diversification is not a resilience activity that they practice to be ready to meet market needs – as in Understanding 1 – but is more about preserving the solidity that allows them to maintain their leading role in the niche.

> "If one [activity] is doing well, you play it off against the other. This strategy has two benefits: you hope you don't both end up having troubles at the same time, and vice versa, it's good when they're both working well because you became the leader… and that's probably been a strength of why we've been able to achieve what we have" (vic2)

5.2.3. Understanding 3: Resilience as adaptive consolidation

In Understanding 3, owners/managers understand resilience as the ability to adapt to change with the aim of maintaining and consolidating an already solid position in the market. In practicing resilience, they ask themselves: *How can I consolidate the business?* In this group, three out of five owners/managers are non-family members literally in the process of managing change, with at least ten years work experience outside the family business. They were hired to manage critical events taking place in the business (i.e., new investors, transgenerational succession, reorganization of the executive board). The owner/manager of case vic4 is a family member, managing the company that belonged to his father, currently owned by a multinational wine company, but at the time of the interview, ownership was transitioning to another family-owned firm. The owner/manager of case vic3 manages and co-owns the business with her brother, and they were in the process of developing the 'Correll Blanc Apertif', a new wine inspired by the Italian Aperol Spritz, to adapt to the new market trend of non-wine aperitifs in Australia. Compared to Understanding 1, these individuals perceive resilience as adapting to change while the change is taking place, and not as a proactive or predictive action – as for Understanding 2. For them, building a resilient company means facing the change while it is occurring.

> "It's a lot about consolidation of purchasing power, so we're looking at the market… but we also have to work within the structure of the market and what the market requires. So we are making changes to the structure of the business internally and how we're tackling those challenges" (sa3).

Market changes do not represent a threat, but are viewed as an opportunity "to adapt the business without losing sight of what you're about" (sa3).

Resilience in *managing knowledge and opportunities* means being aware about how the market perceives their wines, adapt the wine offer to the ongoing changes in consumer tastes, e.g., new trends of non-wine aperitifs, with the aim of 'remaining relevant' and not allowing external threats to impact on the solidity of their market share.

> "We want to stay relevant to the market place, you know, relevant to people who still want to be involved, make sure our wine styles meet what our market wants, because I think the competition, the threat for wines and wine consumption is not just from people drinking less, but from people drinking alternatives" (vic3)

Compared to Understanding 1 and 2, organizational identity is not built on the characteristics of the successors or single owner, but reflects the core elements of their wines: "we are the wine we produce" (ol8). In this group, in *renewing the organizational identity,* resilience is practiced through emotional and compelling storytelling about their wines, seeking to increase brand awareness in the market, and especially against the big players of most well-known wine regions.

> "We're a bit boring and old hat. We're not as exciting as Yarra Valley or Heathcote or… and so we need to keep reminding people that we're here, and keep telling people what we're about, and that we're not just old, dull, and boring" (vic3)

The distinctiveness of their wines is central to the definition of their organizational identity, as one owner/manager asserted: "our wines have enough points of difference to differentiate and carve out our own position in the market" (sa4).

For these owners/managers, *managing uncertainty through control* is about personally supervising and controlling the relationship with sellers and retailers, both domestically and internationally, to ensure they do not lose interest in their brand, and especially that sellers position their wines in the right way.

> "You know, you could be a preferred supplier one day, and all of a sudden there's a change of personality in that company and they just don't 'click' and like you as much, and you know... it's a relationship, if the spark's not there, (laughing) or if there's a clash, they have the wrong sparks, you know… you're dead in the water… What goes out under your brand is what you have the greatest control over, and that's your signature with suppliers" (vic4)

Finally, these owners/managers when practicing resilience *in reducing risk through diversification* do not diversify to reduce the market risk, as in Understanding 1 or 2, but rather seek to minimize the financial risk that could threaten the firm's financial assets.

> "We have a diversification of revenue streams so that we could accept just breaking even... because we have profits coming from other parts of the business… And if we have a bad year in the Barossa Valley, we have a good year in New Zealand and the business is financially safe" (sa3)

5.2.4. Understanding 4: Resilience as stable perpetuation

For this group, resilience is understood as the ability to absorb change while it is occurring, aiming to preserve the family business as is, ensuring its stable perpetuation despite all the unexpected changes along the way. In their understanding, the winery is a legacy, "it is like a noose around your neck" (vic1), a heritage that their predecessors left them, and now it is their turn to manage and perpetuate it, even if they feel a "huge responsibility" (ol7). In practicing resilience, these owners/managers ask the question: *How can I ensure the business stays as it is?*

With the aim of perpetuating their family business, when they encounter something that may threaten their survival, they act to return, as quickly as possible, to the point of equilibrium, finding immediate solutions, so that the business can be preserved exactly as it is. Compared to Understandings 1 and 2, resilience is practiced while the change is taking place – as for owners/managers of Understanding 3 – but instead of adapting to change, they practice resilience in an absorptive perspective.

> "You just have to be pretty smart about how you handle it [the change]. As soon as we got frost, the first thing we did was to work out where we could buy wine to replace our crop, you do have to act very quickly to try to get yourself out of it as well as you can" (vic1)

Owners/managers in this group are all family members with no work experience outside the family business (apart from case ol10 having previously worked in an art gallery), but always very close to the family business. Since childhood, they experienced the business as part of the family, they claim: "we were born here" (ol12). They have broad experience – from 10 to 30 years in the family business – so that when threatening events occur, such as frost, they know how to manage them, in fact, they assert: "you know your land, you are so close to it because you grew up there" (ol7). This sense of commitment to the family business translates into the way they manage the company, and any action reflects high levels of credibility and honesty. As in the previous understandings, they always keep in mind the stability of the business, but do not only aim to consolidate it, but to preserve the reputation of the family brand, maintain the current competitive advantage and patient capital they inherited from their ancestors.

In *managing knowledge and opportunities,* the practice of resilience is not about creating or discovering new markets, nor about adapting their offer to new market trends, being "fairly comfortable in our position there" (vic1). On the contrary, they seek to preserve their position in the market, so that with few adjustments to their wines, they can maintain their positioning.

> "You've got to travel, you've got to keep your ears open, you've got to have good connections, good networks. And you need to be constantly doing benchmark tastings, make sure your wines are where you want them to be" (vic1)

These participants conceive *renewing the organizational identity* as the perpetuation of the family core values, because "it is your name that stands behind your brand" (vic1_e), and they are aware that "we always move forward for our name" (ol10_b). For these members, attributes of their organizational identity, such as integrity, legitimacy and reputation "that take years to build up" (vic3), are the core elements of the organizational identity, and must be preserved because they represent a distinctive trait through which the business can maintain its market positioning. When practicing resilience through this activity, they emphasize that preserving the family name is critical to survive and perpetuate the business.

> "Family is family. And in the wine sector, it's worth a lot. Who you are... my family had an excellent reputation as trusted people who keep one's promise and also financially, we never let someone down, and it's not a little thing, and I'll continue with this and I'll never allow myself to change it" (ol7)

In *managing uncertainty through control,* resilience is practiced by preserving long-term relationships with the customer base: in fact, the greatest part of their profit derives from faithful clients. Preserving their "very strong mailing list […] that brings in over half our income" (vic1), is crucial to ensure stable revenues. They also personally visit their clients overseas, since "in the wine sector, it's quite important that the family is directly involved in person" (ol10).

Furthermore, in *reducing risk through diversification*, resilience is practiced with the aim of preserving the various sources of the family's patient capital, which has sustained the business over time and reduced financial and liquidity risk. They absorbed past changes and shocks because the "family had relevant financial strength", which they acknowledge is key to survive and preserve the patient capital and financial portfolio. In reducing risk through diversification, they practiced resilience with the aim of protecting their financial capital that has allowed and will allow them to absorb changes in the future.

> "My family had relevant financial strength that allowed us to overcome the most difficult moments […] agriculture has been always a profitable industry, but some years, things weren't going well in wine and we had cropping, farming, and lend leasing to sustain us" (ol7)

6. Discussion: Moving towards an understanding-based theory of resilience in family firms

In this study, we contribute to the debate on resilience, and particularly the resilience of family firms, by providing a nuanced and novel conceptualization of resilience as experienced by owners/managers as they grapple with both internal and external challenges in their quest for stability. In answering the question *how do owners/managers understand and practice resilience*, we propose an *understanding-based* theory of the resilience of family firms that explains variations in the behaviors of longstanding family businesses when facing unexpected and unpredictable changes. In particular, our understanding-based theory moves beyond existing rationalistic explanations of the resilience of firms (Ates et al., 2011; Demmer et al., 2011; Gunasekaran, Rai, & Griffin, 2011), and more specifically family firms (Acquaah et al., 2011; Brewton et al., 2010; Chrisman et al., 2011), as it does not specify a universal resilience trajectory. In contrast, four qualitatively different ways owners/managers understand resilience emerged. In particular, the findings from our phenomenographic study provide three main contributions to the field of FB studies.

First, we identify different resilience practices based on the owners/managers' understanding of resilience. Existing firm-oriented approaches to resilience (Aldunce et al., 2014; Ates et al., 2011; Baumann & Fabian, 2013; Erol et al., 2010; Hosseini et al., 2016; Klein et al., 2003; Pal et al., 2014) assert that resilience is a firm attribute and is independent of the individuals involved in practicing resilience. Instead, individual-oriented approaches (Ayala & Manzano, 2014; Bullough & Renko, 2013; Miller & Shamsie, 2001; Zahra, 2005) focus on the characteristics of owners/managers and their pre-acquired knowledge as predictors of strategic decisions and actions. In examining resilience through a practice lens by focusing on owners/managers understandings of resilience, we moved beyond firms' and individuals' attribute approaches – such as the upper echelon and entrepreneurial theories (Hambrick, 2007; Miller et al., 1998). In fact, our findings suggest that resilience is primarily defined by the way owners/managers understand resilience, namely, the meaning they give resilience and meanings determine the way resilience is practiced. The four different ways of understanding and practicing firm resilience that we identified are: proactive development, predictive control, adaptive consolidation, and stable perpetuation.

Our theory does not present resilience as a universal firm attribute but a multiplicity of ways of understanding resilience. Relating our findings to firm-oriented resilience studies, both the engineering and ecological approaches define resilience as an objective property of the firm that is independent of the owners/managers. The engineering school considers resilience as the capacity to return to a previous state of equilibrium by absorbing the shock (Demmer et al., 2011), while the ecological school considers resilience as the capacity to evolve to a new point of equilibrium by adapting to the shock (Plummer & Armitage, 2007; Walker et al., 2004). While our understanding-based theory confirms that owners/managers adopt an absorptive or adaptive approach to resilience, it moves beyond the engineering and ecological firm-based approach to resilience by showing that the choice of adopting an absorptive or adaptive approach is determined by their different understandings of resilience and the timeframe in which they practice resilience. As depicted in Fig. 1, the four understandings are defined by two dimensions: the approach to resilience, and the time in which resilience is practiced. *Controllers* – owner/mangers with a predictive control understanding – practice resilience at time (t-1), before a change takes place or a shock occurs, giving meaning to resilience as avoiding the impact of change, or if they are unable to do so, preparing the firm to be ready to absorb change. *Developers* – owner/mangers with a proactive development understanding – also practice resilience at time (t-1) before the shock occurs – but for them resilience means preparing the firm to be ready to adapt to change. *Perpetuators* – owners/managers with a stable perpetuation understanding – practice resilience while the shock is occurring by absorbing the change to return to the previous state of equilibrium. *Consolidators* – owners/managers with an adaptive consolidation understanding – adapt to change to evolve to a new point of equilibrium.

(Insert Fig. 1 about here)

Second, our understanding-based theory advances rationalistic and deterministic individual-oriented resilience studies – and more widely the UET research stream – according to the characteristics of those running the business as predictors of strategic decisions and actions (Chatterjee & Hambrick, 2007; Finkelstein et al., 2009; Hambrick, 2007; Hambrick & Mason, 1984). We move beyond the idea that executives' contractual reality is solely a product of their orientation, formed by personality traits and characteristics, or their entrepreneurial behavior and attributes (Branicki et al., 2017). Our findings provide evidence that personal characteristics of owners/managers are not the sole and primary source in explaining the variation in the understandings of resilience of the owners/managers. More specifically, table 6 shows the possible sources of variation in resilience practices, namely to which extent the four understandings of resilience practices are related to the characteristics of owners/managers of our sample. The age of the owners/managers and the different forms of understandings are not noticeably associated, except for Understanding 3 in which participants are middle age people, homogenously distributed in the range of 50-60 years. Based on our evidence, a male majority is observed in Understanding 2 as is a female one in Understanding 4, although men were over-represented in the sample, but there is not distinct link between age and gender and understanding.

The relationship between the formal role of participants and the understandings is not strong, even though in family businesses plurality of owners/managers roles is common practice. Considering the familiar role, there is some association in Understanding 2, 3 and 4. *Controllers* are all family members as *Perpetuators*. Conversely, all the non-family members belong to Understanding 3, namely *Consolidators* managing long lasting businesses that require a financial and organizational consolidation to survive in the long run. Education does not seem to be a descriptive variable of any of the understandings: educational backgrounds are disparate and heterogeneous, even if all non-family members present a higher degree of education. The length of working experience in and outside the family business also presents little evidence of association. Some family members had an external experience, even if this variable does not seem to be strongly related to a specific understanding. As expected, non-family members accumulated a significant working experience outside the company. There may be, however, some association between the nationality and the understandings: *Consolidators* are more common within the Australian context, while *Perpetuators* are more Italians. Overall, the nationality and the socio-demographic background (i.e. familiar role and age) appear to be the only sources of variation in the way resilience is practiced.

Our understanding-based theory and the above mentioned observations imply that firm resilience is not only determined by owners/managers' characteristics, even if there may be some association between the socio-demographic characteristics of the sample, their experience within the family businesses and the way they practice resilience, although this relationship is not strong. Instead, it is the understanding of resilience that determines the way it is practiced. Understandings form and evolve from what has happened and still happens within the family, the business, and the interaction between the two. Consequently, it is within their own understanding that owners/managers make decisions about how to increase and maintain the organization's resilience. Therefore, resilience is context-dependent and related to those managing the business and their personal experience with the family and the business, suggesting a phenomenographic explanation of the heterogeneity of approaches to change observable in a real-world context.

(Insert Table 6 about here)

Third, our findings show variations in how owners/managers practice resilience by capturing the prevailing ways in which resilience is practiced, i.e., managing knowledge and opportunities, renewing the organizational identity, managing uncertainty through control, and reducing risk through diversification. Moreover, the 'same' activity is performed differently, since within each understanding, the activity takes a different *meaning*.

Further, our understanding-based theory contributes to the FB research field by showing how owners/managers give meaning to resilience when *managing knowledge and opportunities*. In accordance with the long-term view (Patel & Fiet, 2011), longstanding family firms encourage knowledge-sharing and investments in firm-specific routines for searching opportunities. Although their study underlines a contradiction in the literature, namely, family firms are more or less effective innovators than non-family firms, Patel and Fiet (2011) assert that entrepreneurial initiatives are determined by the characteristics of parsimony, personal control, and decision making of the family business governance system. In contrast, our study identifies in individual owners/managers' understanding of resilience a possible source of variation in their practice of managing knowledge and opportunities. Developers increase the knowledge and learning capabilities of the owner/manager to discover new opportunities to balance change and stability in the long term. Controllers exploit their personal knowledge to create new opportunities and predict unexpected events. Consolidators invest in developing an organizational knowledge structure to discover opportunities with the aim of adapting and consolidating the family business. Perpetuators improve the organizational knowledge structure to sense and avoid the threats that may alter the *status quo*.

Our interpretive perspective on resilience practice also offers a more comprehensive explanation of how family firms practice *renewing the organizational identity*. We contribute to extant FB literature on identity (Zellweger, Eddleston, & Kellermanns, 2010; Whetten, Foreman, & Dyer, 2014), providing evidence on the different ways in which the organizational identity is renewed when the business faces an unexpected change. Our findings suggest that there are a variety of paths not only in the creation, but also in the renewing process of the family firm identity. Developers feel a strong sense of belonging to the family firm, the business component is an extension of the family, and the strategic change activates the renewal of the shared identity that is adapted to the firm's new strategic vision. Controllers conceive organizational identity renewal as the transposition of identity from the new leader owner/manager to the business. In contrast, consolidators conceive the renewal of organizational identity as the emphasis on the distinctiveness and uniqueness of the family business. Instead, perpetuators capitalize on the family firm position, preserving the family firm identity, and stressing in the minds of consumers their trustworthy, customer-focused, and quality-driven business culture.

In addition, the understanding-based framework highlights variations in *managing uncertainty through control*. Previous FB studies focused on the difference in the control processes among family and non-family firms (Chrisman, Chua, & Sharma, 2005; Chrisman, Steier, & Chua, 2008). Our phenomenographic approach sheds light on the variation of control processes when dealing with change: the action of managing control is universally undertaken by our participants, even if conceived in different ways. *Developers* see control as the efficient management of internal operations to control costs and reduce the internal and external sources of uncertainty; *controllers* exert control over the niche and enhance the leadership of the family firm in the niche. *Consolidators* control stakeholder relationships to preserve the distinctiveness of their brand, while *perpetuators* exert control on customer relationships.

Furthermore, in *reducing risk through diversification*, our participants manage change by diversifying at the business, product, and service level, although differences depend on the objectives that drive the decision of pursuing diversification and the way each owner/manager understands diversification. For developers, diversification means minimizing market and financial risk, and entering new markets. While for controllers, diversifying is a way to reinforce the barriers surrounding their niche, reducing the risk of new competitors. Consolidators interpret diversification as a means of consolidating the financial stability of the family firm, while perpetuators aim to sustain the business with diversified sources of family financial capital.

6.1. Managerial and practical implications

Resilience, according to the rationalistic approaches, is constituted by a set of desirable attributes achieved through best practices that managers take as point of departure to increase the chances of survival over time (Lengnick-Hall & Beck, 2005; Lengnick-Hall, Beck, & Lengnick-Hall, 2011). However, previous discussions on the resilience of family firms (Chrisman et al., 2011) present significant limitations, particularly the lack of clarity as to *what* constitutes resilience for managers, and the assumption that there is a *best way* to manage resilience, despite the different and effective behaviors observed in a real-world context where heterogeneity and multiplicity proliferate. Our study takes the understanding of owners/managers as the starting point to conceptualize resilience in longstanding family firms, underlining such heterogeneity. In so doing, we shift from universal attributes and best ways to practice resilience to the multiplicity of practices determined by the owners/managers' understanding of resilience, putting forward two managerial implications for consideration.

First, although we criticized the rationalistic approaches to the resilience of family firms, we do not question the need to define resilience as a set of attributes. However, we suggest that the practice of resilience depends on *who* manages the business, the understanding that embodies their practices, and its relation to the family, rather than attributes forming the basis for resilience and its development (Dall'Alba & Sandberg, 2006). Those managing resilience cannot be separated from the context in which they practice resilience (Dall'Alba & Sandberg, 2006). More specifically, the knowledge and skills owners/managers use in practicing resilience depends on their embodied understanding of the practice in question. As a result, the understanding of resilience is fundamental to how resilience is practiced, and the knowledge and skills that owners/managers develop accordingly.

Second, this study emphasizes the practical aspect of resilience, suggesting owners/managers may require a strategic consultancy to help them become aware and reflect on the way they strategize for resilience according to their understanding. Learning to strategize according to their understanding might help owners/managers of long-lasting family businesses refine and develop resilience strategies. Strategic consultants might also suggest managers move to another understanding and the corresponding activities that they consider more appropriate for them and their business.

From a practical perspective, a key implication concerns how to practice resilience in the most appropriate way to sustain the family business over time. To improve the family business' capacity to respond to situations that threaten its stability, owners/managers need to be encouraged by a professional strategist to be aware of their understanding and how this is reflected in their activities. For example, developers and controllers, in managing knowledge and opportunities, could focus on their personal knowledge and skills to manage unexpected events that threaten the stability of the business. Consolidators and perpetuators could improve the knowledge structure of the family business as a whole. In renewing the organizational identity, developers might reshape the identity of the family business according to the new strategic vision of successors, controllers focus on the attributes of the owner/manager, consolidators on the features of wine, and perpetuators on the core value and beliefs of the owning family. Customizing the definition of the new business identity might improve the results of a branding communication strategy with benefits for the family business in the long run.

Another central implication is in exerting control to manage uncertainty, an activity that might be implemented, albeit acknowledging that it is understood differently. Control may be exerted on the production chain internally to the family firm (developers), internally on the production chain and externally within the niche (controllers), externally on sellers and retailers (consolidators), and externally on customer relationships (perpetuators). Diversification as a recognized core strategy of longstanding family businesses might be targeted to products and services (developers), products and business activities (controllers), and financial assets and business activities (consolidators and perpetuators).

6.2. Limitations and suggestions for further research

This study sheds light on the variations in the way owners/managers of long-lasting family firms practice resilience as a strategy based on their understanding of resilience. Taking into account the observations on the limitations of phenomenographic studies (Lamb et al., 2011; O'Leary & Sandberg, 2017; Sandberg, 2000), we firstly suggest that the context of analysis is perhaps a limitation, although interpretive studies are context dependent in nature and "almost tailor-made to generate context theory" (Bamberg: 843). In fact, the results of phenomenography are context-bound, in the sense that the variation in practices in different industries is empirical in nature, thus advancing the empirical question for further studies: what variations in resilience practice might exist across different industry contexts? And among family and non-family businesses? Resilience as context-dependent might be understood differently in other contexts, and the understanding-based framework proposed may not be generalizable to different contexts. Therefore, the proposition that there are multiple ways to practice resilience in family firms in different contexts might provide an interesting field of enquiry and lead to the identification of different understandings of resilience in different organizational forms, industrial contexts, and professions. Consistent with the recent call for sector studies and for more contextualized views in order to advance current knowledge of organizational phenomena (De Massis, Kotlar, Wright and Kellermanns, 2018), we encourage future scholars to study firm resilience across different industry contexts and diverse forms of business organizations (e.g., family firms, widely held corporations, cooperative ventures, joint ventures, venture capital-backed firms, or state-owned enterprises).

Similarly, resilience understandings, such as context-dependent findings, might be also related to the specific situation the family business is experiencing. In fact, as part of the context of analysis, situational factors affect managers' behavior and understandings (Bamberg 2008). For instance, our findings show that owners/managers in a family organization that has just faced or is facing radical change – i.e. a succession, a takeover – are more likely to be Developers or Consolidators. These considerations open up possibilities to investigate relationships among situational elements, such as a firm's high instability due to radical organizational change, and understandings. Studies might also address and identify situational factors which might be more likely related to understandings and practices of resilience.

The second limitation posits the question of the applicability of an understanding-based theory across different country-contexts. Nervertheless, we partly addressed this limitation by collecting data from an Italian and an Australian sample and revealing that it is possible to find individuals from different countries sharing the same understanding. In addition, nationality as source of variation might indicate the need for a cross-cultural analysis on how resilience is understood and practiced across different countries to explore whether there are links between cultural dimensions (Hofstede, 2001; Smith, Peterson, & Schwartz, 2002) and the way managers strategize for resilience. In fact, the *adaptive consolidation* understanding is more common for Australians, while the activities associated with the *stable perpetuation* understanding are mostly practiced by Italian owners/managers. This pattern calls for further research on the correlation between sample characteristics, national context as well as industry, and practices of resilience through logistic and ordinal regression analyses, to find if there is any evidence of association.

The third limitation refers to the fact that phenomenography unveils the understanding of a single individual, consequently this methodological approach is suggested for small firms in which the owner/manager is primarily the sole (or main) individual in charge of resilience-related activities. However, there is a branch of management literature that suggests the existence of collective minds (Weick & Roberts, 1993), and of collective and shared understandings (Sandberg & Targama, 2007), which provides further oportunity to extend phenomenography beyond the individual to explore Top Management Teams managing resilience in larger family firms.

Additional research might also investigate the effectiveness of different ways of practicing resilience, identifying measurable performance outcomes in each of the four core resilience strategies (i.e., managing knowledge and opportunities, renewing the organizational identity; managing uncertainty through control, reducing risk through diversification). Future research might also explore how the tensions and conflicts that arise from the interaction of family members with different understandings might influence the effectiveness of resilience activities, and how such different understandings are managed and worked through. Considering the role of family and the fact that controllers and perpetuators are all family members, and conversely, consolidators are all non-family members, the relationship with the family might be explored in relation to influencing the understanding of resilience.

A further suggestion for further research refers to positing resilience as a predictor of longevity. By selecting long lasting family businesses as empirical cases, we assumed that long lasting companies are resilient in nature, given that they have been able to overcome critical events thus achieving longevity. Further studies might explore the relationship between resilience and longevity, especially by examining if resilience is a necessary and sufficient condition for longevity, and what is the mutual relationship between the two concepts. Resilience might be not a universal predictor of longevity as some firms might easily prefer to operate in less risky or challenging environments as a strategic choice to preserve stability. In relation to longevity, further studies might also explore which of the four understandings is more likely to be practiced by long-lasting family firms. For instance: are century-old family businesses enacting one understanding over the others? Are perpetuators all managing century-old family businesses? Are understandings of resilience related to the longevity of the organization?

7. Conclusion

This study offers new insights in the FB strategy field, presenting an understanding-based theory on the resilience of family firms which proposes a nuanced explanation of resilience, suggesting that variations in the practice of resilience are determined by each owner/manager's understanding of resilience. No studies, to our best knowledge, have explored resilience using practice theories by conceptualizing resilience as a practice, i.e. an array of activities as doing or saying organized by practitioners' understandings of their practice (Schatzki, 2012).

The main finding emanating from our study is the four qualitatively different understandings of resilience – proactive development, predictive control, adaptive consolidation, stable perpetuation – that advance our knowledge on resilience. Moreover, our study's findings reveal that resilience is a practice managers do, rather than an attribute organizations possess, as stated in current rationalistic conceptualizations of resilience. This study is also the first contribution on resilience and especially, on the resilience of family firms, that describes i) which activities managers actually perform when practicing resilience, and ii) how owners/managers perform these activities in practice. The variability emerging from our findings highlights multiplicity rather than uniformity in the practice of resilience in family firms, thereby more closely reflecting idiosyncratic behaviors observable in real-world contexts. Family firms are different as are their owners/managers in their approach to resilience, and the activities they put into practice to build and increase resilience of their organization over time.

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Table 1

Description of Cases and Participants.

Case	Company name	Year Established	Wine Region	Family ownership	Participant Formal Roles	Interview location and date
1	Azienda Agricola Giulio Fiamberti	1814	Oltrepò Pavese	100%	Owner and Managing Director (ol1)	1 (On site-August 2016)
2	Azienda Agricola Ca' di Frara	1905	Oltrepò Pavese	100%	Joint Owner and Winemaker (ol5)	1 (On site-August 2016)
3	Azienda Agricola Conte Carlo Giorgi di Vistarino	1860	Oltrepò Pavese	100%	Owner and Managing Director (ol7)	1 (On site-August 2016)
4	Azienda Agricola Doria di Montalto	1800	Oltrepò Pavese	100%	Joint Owner and winemaker (ol8)	1 (On site-August 2016)
5	Frecciarossa Srl Società Agricola	1919	Oltrepò Pavese	100%	Joint Owner and Managing Director (ol10)	1 (On site-August 2016)
6	Losito&Guarini Srl	1910	Oltrepò Pavese	100%	Join Owner and Managing Director (ol11)	1 (On site-August 2016)
7	Azienda Agricola Montelio	1848	Oltrepò Pavese	100%	Joint Owner and Managing Director (ol12)	1 (On site-August 2016)
8	Azienda Agricola Calatroni	1964	Oltrepò Pavese	100%	Joint Owner and Managing Director (ol13)	1 (On site-August 2016)
9	Campbells Wines Pty Ltd	1870	Rutherglen	100%	Joint Owner and Winemaker (vic1)	1 (On site-January 2016)
10	Chambers Rosewood Pty Ltd	1858	Rutherglen	100%	Joint Owner and Winemaker (vic2)	1 (On site-January 2016)
11	Jones Winery & Vineyard (LJ Pty Ltd)	1860 (since 1927 Jones family)	Rutherglen	100%	Joint Owner and Winemaker (vic3)	1 (On site-January 2016)
12	Morris Wines Pty Ltd	1859	Rutherglen	Pernod Ricard Winemakers[1]	Chief Winemaker (vic4)	1 (On site-January 2016)
13	Stanton and Killeen Wines Pty Ltd	1875	Rutherglen	100%	Joint Owner and Marketing Manager (vic5)	1 (On site-January 2016)
14	Yalumba Coonawarra Vineyards Pty Ltd	1844	Barossa Valley, Eden Valley.	100%	Managing Director (sa3)	1 (On site-February 2016)
15	Bleasdale Vineyards Pty Ltd	1850	Langhorne Creek	51%	Managing Director (sa4)	1 (Adelaide-February 2016)
16	G. Patritti & Co. (Dover Wine Co.)	1926	McLaren Vale	100%	Joint Owner and Managing Director (sa5)	1 (On site-February 2016)
17	Serafino WinesPty Ltd	1960	McLaren Vale	100%	Joint Owner and Managing Director (sa6)	1 (On site-February 2016)

[1] The winery was recently sold to the Casella wine company.

Table 2

Sample characteristics.

Variable		Both Countries	Italy	Australia
Age	21-30 years	1	0	1
	31-40 years	1	1	0
	40-50 years	5	4	1
	50-60 years	8	3	5
	>60 years	2	0	2
Gender	Male	11	5	6
	Female	6	3	3
Formal Role	Managing Director	2	0	2
	Owner and Managing Director	3	3	0
	Joint Owner and Winemaker	5	2	3
	Joint Owner and Managing Director	5	3	2
	Chief Winemaker	1	0	1
	Joint Owner and Marketing Manager	1	0	1
Familiar Role	Family Member	14	7	7
	Non-family Member	3	1	2
Education	Middle School Diploma	1	0	1
	High School Diploma	5	4	1
	Oenology Agriculture Degree	5	1	4
	Business Master Degree	4	1	3
	Biology Master Degree	1	1	0
	Arts Master Degree	1	1	0
Length of work experience in the family winery	0-10 years	4	1	3
	10-15 years	1	1	0
	10-20-years	6	5	1
	20-30 years	1	0	1
	>30 years	5	1	4
Length of work experience outside the family winery	0 years	7	5	2
	0-10 years	6	1	5
	10-20 years	1	1	0
	20-30 years	2	1	1
	>30 years	1	0	1

Table 3

Illustrative Examples of Preliminary Understandings of Resilience.

Preliminary understanding of resilience	Illustrative examples
Ability to prepare for change	"We're looking to the future… and we're being proactive, and we're doing new things" (vic5) "I think maybe the most important thing for us is we have been able to change. As the conditions change, we've been able to change before it got worse" (sa5)
Ability to control change	"So all we can do is keep watching and keep everything that we can control, such as our disease programs and our vineyards… and the farm, and other aspects as good as we can. That's all you can do and what happens, happens" (vic2) "I'm the one who coordinates, every day, perpetually every day... now we are bottling, I check every hour how the bottling is to avoid any mistakes, they tell me: 'you're crazy'" (ol5) "If something unforeseen is coming, we discuss the how and not 'but it is right to do so'. We just do it. That's it" (ol11)
Ability to adapt to change	"So, yeah we're adapting, and even on another level, we're also introduced different varieties into our vineyards to complement what we already do that fits in Rutherglen in our opinion… in our climatic conditions and our soil types and things like that. So that's all part of adapting" (vic3) "Change was always a constant for me so I came in and was, you know, quite happy to look at making changes and to adapt the business… which was in good shape but it needed to evolve a bit" (sa3)
Ability to absorb change	"If we have an old wine press you know that it can suddenly break, so who is in charge of our machinery maintenance knows that if we have a breakdown they have to come quickly and repair it immediately" (ol12) "Dealing with change is like calming down your brother. We had terrible duels over the years… you just have to sit down and listen to him, calm him down and having a sensible conversation" (vic1).

Table 4

Illustrative Examples of Resilience Activities.

Resilience activity	**Significant statements about how owners/managers practice resilience**	**Illustrative examples**
Managing knowledge and opportunities	Statements about knowledge and opportunities, and descriptions about how and why they manage them.	"So, then we need to say, 'Well, how do we reduce our costs to maintain a viable business?' And perhaps those, some of those things are, well, what are the products we're getting in, what are some of the opportunities, whether it's solar or whether it's planting varieties that maybe don't need as much water… all those sorts of things, and then, from a consumer-marketing-product perspective, that would be… just looking at the opportunities, like, just for example, one thing that we're going to explore over the next year or so is… fortified wine" (vic5) "I'm quite an innovative person, I look at new technologies, I use them" (ol7) "You have to go around … and understand what your customer needs are. If you are able to understand your customer needs, you make it! Because you give him what you already know he needs" (ol11)
Renewing the organizational identity	Statements about organizational identity and descriptions about how and why they manage it.	"It's extremely important to have an identity… and to balance the size, the growth of your business and the size of the business to match the sales because otherwise you could completely lose the sense of who you are" (vic3) "… by continuing to be relevant, we will preserve our identity" (vic2). "We are who we are, we and all of those previous generations have added something, and we just need to take the best bits of the previous generations and then take the best bits of what we can offer, and look at how we can maintain the business" (ol7)
Managing uncertainty through control	Statements or descriptions about how and why they exert control to reduce the threatening effects of uncertainty.	"All the decisions have to pass through us and, by the way, we have an internal control plan… and all our employees are aware that a control plan exists but it's not only on paper but it's really true and we apply it. So, we can have control over everything and there are less things that get out of hand" (ol11) "So what we have worked very hard on in the industry and other companies is that if you want to buy Patritti this is our price" (sa5) "I'm looking to hire new employees because I'm always around. I have to control where my bottles are, to keep everything under my control also on supermarket shelves to be sure that I'm not losing sight of anything" (ol1)
Reducing risk through diversification	Statements and descriptions about how and why they differentiate the business.	"We've always done many things. You know, making wine, making juice. There wasn't just one thing sustaining us" (sa5). "We do the first part of the vinification process and then we sell them the sparkling base" (ol13_c) "It's a way to attract customers in the niche offering them a couple of reds, a couple of whites, and maybe a couple of fortified wines... not just to promote yourself as a winery and get people to buy the wine… hopefully encouraging them to take the trip to try all the other wines" (vic2) "We also need to be able to attract new customers and new markets as well. So, we are a small business, we've diversified. We're not just in the wine industry, we also have beef cattle, cereal crops, and a restaurant" (vic3)

Table 5

Owners/managers' Understandings of Family Firms' Resilience and Resilience Activities.

	How owners/managers give meaning to resilience practice			
Understandings of resilience	**Managing knowledge and opportunities**	**Renewing the organizational identity**	**Managing uncertainty through control**	**Reducing risk through diversification**
Proactive Development *How can I prepare the business to be ready?*	Improving individual knowledge to discover new opportunities	Adapting the identity of the organization to the new strategic vision of successors	Achieving internal control of each phase of the production chain to guarantee stability	Developing products and services to prepare the business to meet market needs
Predictive Control *How can I see unexpected things coming?*	Exploiting individual knowledge to create new opportunities	Imposing an identity transition from the owner/manager to the organization	Enhancing control within the niche to impose their leadership	Investing in product and business diversification to consolidate and controlled the niche
Adaptive consolidation *How can I consolidate the business?*	Acquiring organizational knowledge to adapt to market changes	Identifying the organizational identity with the enduring core features of wine	Exerting external control on sellers and retailers to consolidate the brand	Increasing revenues from different assets to consolidate and protect the business from financial risk
Stable perpetuation *How can I ensure the business stays as it is?*	Relying on organizational knowledge to maintain the positioning in the market	Preserving the family core values in the organizational identity	Enhancing and controlling customer relationships to preserve the customer-base	Relying on diversified sources of family financial capital to meet business liquidity constraints

Table 6

Understandings of Resilience Related to Sample Characteristics.

		Proactive Development	**Predictive Control**	**Adaptive Consolidation**	**Stable Perpetuation**
Number of owner/ managers		3	5	5	4
Age (years)	21-30 years	2	0	0	0
	31-40 years	0	1	0	0
	40-50 years	0	3	0	2
	50-60 years	1	0	4	1
	>60 years	0	1	1	1
Gender	Male	1	5	4	1
	Female	2	0	1	3
Nationality	Australian	2	2	4	1
	Italian	1	3	1	3
Formal Role	Managing Director	0	0	2	0
	Owner and Managing Director	0	1	0	1
	JO and Winemaker	0	2	2	1
	JO and Managing Director	2	2	0	2
	Chief Winemaker	0	0	1	0
	JO and Marketing Manager	1	0	0	0
Familial Role	Family Member	3	5	2	4
	Non-family Member	0	0	3	0
Education	Middle School Diploma	0	1	0	0
	High School Diploma	2	1	0	1
	Oenology/Agriculture Degree	0	2	3	1
	Business Master Degree	1	0	2	1
	Biology Master Degree	0	1	0	0
	Arts Master Degree	0	0	0	1
Length of working experience in the family winery	0-10 years	2	0	2	0
	10-15 years	0	1	0	2
	10-20-years	0	0	2	1
	20-30 years	0	3	0	0
	>30 years	1	1	1	1
Length of working experience outside the family winery	0 years	2	4	1	3
	0-10 years	1	1	1	0
	10-20 years	0	0	1	1
	20-30 years	0	0	1	0
	>30 years	0	0	1	0

Note: JO = Joint Owner

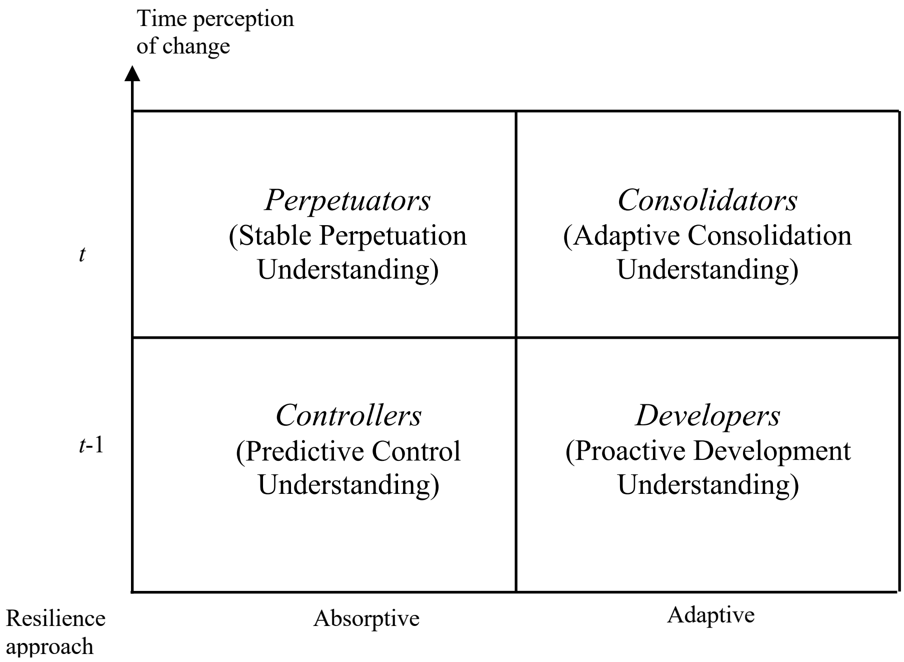

Fig. 1. Matrix of Resilience Understandings.