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Developing capabilities for sustainability in family owned SMEs: An emerging market scenario

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ABSTRACT

The academic discourse on 'family' perpetuity in family-owned businesses (FOB) is still burgeoning. Current findings suggest the importance of family control and family inter-generational sustainability in family-owned businesses. Though literature in family perpetuity and sustainability is well documented from the advanced economies, there is a scarcity of insights from emerging markets where this research relates. The study, therefore, sought to investigate, understand and interpret the underlying drivers of sustainability in small and medium family businesses using the stewardship theory paradigm and relying on evidence from an emerging market economy the Nigerian family business environment. A qualitative method with 41 in-depth interviews involving owners and managers of family-owned small and medium businesses was conducted. The study empirically shows that there is an interrelationship between family structure and business sustainability, hence the practice of polygamy was found to be inimical to family business success and sustainability. The study also showed that the element of spirituality arising from the ideals and values of the owning family is a significant factor for ensuring family wellbeing and business sustainability, and founding owner characteristics (industry experience) and impacts positively on the business performance and continuity. The study confirmed that the stewardship of non-family member employees within the business is provisional stewardship as non-family members rely on other incentives from the owning family members to behave as stewards. Building on the stewardship theory, the paper develops a model of sustainability for small and medium family businesses. The study contributes to the theoretical literature on stewardship and family business sustainability.

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Introduction

Family businesses range in size from small owner-managed firms to large multinational corporations and are found across a variety of industries. In the case of emerging market economies, the small and medium family businesses remained dominant business organizations, as several business undertakings are run through family involvement, harnessing family resources for business endeavour (Alderson, 2011). These businesses leverage the entrepreneurial activities and add value to the economy of the countries where they exist (Wagner, 2010).

Often, in most of the family businesses, the founders' main concern is to perpetuate their legacy and ensure continued family control through an intergenerational succession (Miller; Steier; and Le Breton-Miller, 2003). Sustainability and long-term perspectives are, therefore, embedded objectives within most family businesses (Fletcher, Melin, and Gimeno, 2012; Miller and Le Breton-Miller 2005). However, the ability to actualize these long-term business objectives is an inherent obstacle for many family businesses. Schwass (2005) found that continuity over generations is the greatest threat to the survival of the family business. While the family business objective is to sustain survival beyond the current generation (Davis and Harveston 2001); studies by Smyrnios, Poutziouris, and Goel, (2013:508); Marshall et al. (2006); Ward (2004), cite survival rates of only 30% into the 2nd generation and about 15% into the 3rd generation. The evidence of this small percentage of family-owned Businesses being led by third generation family members highlights the seeming inherent difficulty of sustaining interest and capability in the family business across generations.

Since family businesses are not homogenous, its classification can be done in several ways. According to Melin and Nordqvist (2007) the most typical sources of diversity stems from the different owner structure, the presence of different generations in the

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management and among the owners, the various sizes of family businesses, ranging from small, which has the largest percentage, medium and the publicly quoted family businesses, the nature and extent of family participation and the structure of the owning family. To this end, studying its sustainability remains rather complex and daunting to have a template for sustainability that will be applicable to all the various typologies of family business. Hence this research focuses on the small and medium family businesses.

The concept of stewardship (Henssen, Voordeckers, Lambrechts, Koiranen, 2014; Eddleston et al., 2012; Davis et al., 2010; Zahra, et al., 2008) which signifies a collectivist orientation towards a business' success, growth and subsequently sustainability, materialize in numerous ways including the extent individuals express their loyalty and commitment to an organization which may be a consequence of the wages received or other extrinsic rewards and in the case of owning family members a feeling of psychological ownership (cf. Ramos, Man, and Ng, 2014). From the available literature (Caldwell, Hayes, and Long, 2010), however, family business owners have had to grapple with the challenge of gaining the trust and commitment of their staff as they work hard to entrench a long term orientation that is identifiable with the family business.

Sustaining the family business allows for harmony and well-being of the family and allows the family to continue working together and thereby strengthening family cohesion and connectivity. Efforts geared towards encouraging the sustainability of family businesses remains a means by which family relationships and diminishing family values are strengthened and improved (Tàpies, and Moya, 2012; Carsrud 2006). To this end, the question of how family businesses can develop the capabilities to survive across generations becomes clearly topical at practical and theoretical levels. The critical issue then is, identifying the underlying tenets necessary for sustainability in family businesses.

While studies in family business have largely concentrated on the developed economies, there is scarcity of empirical evidence from emerging economies (cf. Reddy, 2015). Even in the very few cases where studies are carried out in the emerging markets (e.g. Miller, Lee, Chang, and Le Breton-Miller, 2009), the focus has not been placed on studying its sustainability and the factors determining its sustainability.

The absence of an insight based on empirical evidence on the determinants of family business sustainability creates an obvious gap on family business survival and sustainability and the steps family business owners and managers should adopt and institutionalised in their business to ensure inter-generational sustainability in their business. Hence there is scarcity of empirical data on the constructs determining the sustainability of family business; this study addresses this gap by empirically providing evidence on the constructs that determines the sustainability in small and medium family businesses in an emerging market economy.

Literature Review

Theoretical and Conceptual Background

Stewardship in Family Business

In concise terms, stewardship behaviours refer to actions which signify a collectivist orientation towards an organisation's success and overall growth (cf. Vallejo-Martos, and Puentes-Poyatos, 2014). Therefore, stewardship (Zahra, et al., 2008) also includes the extent to which individuals express their loyalty and commitment to an organisation which may be a consequence of the wages and/or level of professionalism exerted within the organisational premises. If the organisation's reputation is favourable with stakeholders, both internally and externally, then managers may receive both extrinsic and intrinsic rewards thereby increasing the performance of the organisation. In the realm of stewardship, managers are more concerned about the well-being of the organization and find that their identity is closely connected to that of the organisation.

A stewardship behaviour and interaction may materialise in numerous ways in family firms. Zahra et al. (2008) considered aligned values between the family and business, long-term orientation and family identification with the business. Eddleston and Kellermanns (2007) focussed on the sharing of control in firm governance and reciprocal altruism and participative decision making.

Stewardship ideals have, therefore, been argued to be a common thread among successful family businesses (Corbetta and Salvato, 2004). As a result of stewardship behaviour in the business, family members have a sense of psychological ownership, which motivates members to behave in the best interest of the business (Zahra, 2003; Wasserman, 2006). Stewards are, therefore, compelled in their decisions and actions, to focus on the best interest of, not only the current generation but, also future generations. Similarly, if family business employees exhibit higher levels of commitment, the relationship that exists between the owning family and its non-family employees is then considered as that of a steward more than an agency relationship, since one of the aspects characterizing a steward relationship is precisely stewards' stronger commitment to the organization and its objectives.

Each of these line of beliefs are in line with Miller et al.'s, (2008) which focused on longevity, in other words, continuity, the propagation of a talented workforce and connections with external stakeholders and Davis, Schoorman, and Donaldson's, (1997) depiction of stewardship theory as emphasising performance-enhancing decision making, long-term orientation, quality and training of employees, strong identification and commitment to the organization, and involvement-oriented governance. **Family Business Sustainability**

A sustainable family business model was worked out by Stafford et al., (1999) and then further developed by Danes et al., (2008). This model differs from system theory approaches; hence it includes both the subsystems of family and business and specific aspects

of these sub-systems. The general goal of the model is to identify those resources, processes and transactions, necessary forces in family and business which most likely make them successful and provide sustainability. The family and business are social systems with seeming varying goals. Their achievements are gained through personal and resource transactions; hence the standard of family success is satisfaction, while the standard of business success is its marginal profit.

In the research for sustainable family business model by Olson et al., (2003) it was concluded that the achievement of both family and business have positive relations in the age of the enterprise, family member employees and employment of temporary staff. It was equally stated that the family has greater influence on business than the business has on the family. This assertion can be confirmed judging by the observation on how family businesses often overcome economically difficult times; which is made possible through the family behind the enterprise.

For the sustainable family business model, the general statements are: The family system is rational, the interaction between systems occur through the exchange of resources on their uncertain borderlines, both systems of family and business are managed by the synergy of owner families. When the borders are too wide it means the death of family or business. When needs and resources fail to meet, conflicts between systems occur (Danes, Stafford, and Loy, 2007).

Olson et al., (2003) also noted that another area worthy of consideration in family business sustainability is the stage of development of the business. Studies have shown that in the formative years, family business often benefits from the overlap of family and business systems. During this stage, all employees report directly to the founder/manager. The informal nature of relationships is frequently carried over into the firm, serving to foster commitment and a sense of identification with the founder/manager's dream. Also, at these early years, the family often provides the firm with a steady supply of trustworthy human resources (Lansberg, 1993; Ward, 1997). In a later stage of development, the family business tends to have family members who drain the profits of the family business (Ward, 1997). Kirchoff and Kirchoff (1987) found that family labour was more productive than non-family labour but added that productivity did not translate into profitability.

Family business sustainability is a function of both business success and family functionality (Danes et al., 2008); resource and interpersonal processes differ during times of stability and change and conflicts arise when there is a mismatch between demands and resources (Danes, 2006); owing families rationally manage the family and business jointly to optimise the achievement of their objectives (Paul et al., 2003); family or business can be destroyed if the boundaries are too diffused (Stafford et al., 1999).

Research and Methodology

The population for this study comprised all family businesses in Nigeria. Specifically, forty one (41) in-depth interviews were conducted with family business owners and managers. This formed the sample used for the study. As there is no available record of all family businesses operating in Nigeria, a snowball sampling method was used to select the forty one family businesses. Through a series of preliminary questions, the researchers first determined whether the business is a family business or not before proceeding with the interview.

Relying on the empirical data, the study empirically explores sustainability in small and medium family businesses in an emerging market setting, using the interpretive approach. The interpretive approach is particularly useful (Easterby-Smith, Thorpe, and Jackson, 2010; Creswell, 2009) due to the heterogeneous nature of family businesses which needs a comprehensive in-depth interpretation.

Data Collection and Analysis Techniques

Data for this study was collected from 41 owners and managers of small and medium family owned businesses using a computer assisted qualitative data analysis software (CAQDAS) NVivo 10; followed by a process of transcription, coding, thematic analysis and presentation of findings. The use of NVivo 10 facilitated the task of handling large data sets generated.

Research Validity

Regarding validity, reliability and generalizability, this study meets the requirements of internal validity. A measure of validity, credibility and accuracy is required of any piece of research (Robson, 2011). The use of audio, tape recording for data collection as generally applicable to qualitative research was used to ensure the quality and accuracy of the data collected. The threat to validity in terms of theory, in the words of Robson (2011) is "not considering alternative explanations or understandings of the phenomena you are studying". To this end, a review of extant literature was done. There was a continuous review of literature in the field of family business within the time frame of the research. In addition, a feedback channel was established with the participants involved in the interview for the data collection as a way of dealing with the threats of validity.

To ensure a clear capturing of the issue of reliability for this research, a research diary was kept; where it was possible to see the evolution of the ideas and the changes. Recordings of the interviews were carefully saved for record purposes if the need arises for reference after the research must have been completed.

Findings

Extracts from the participants' interview have been used to illustrate the findings regarding the constructs that drives sustainability in small and medium family businesses. The extracts are presented in italics with the codes, for example P21QB6; where P21= Participant No. 21, QB6 = Question 6 in Section B.

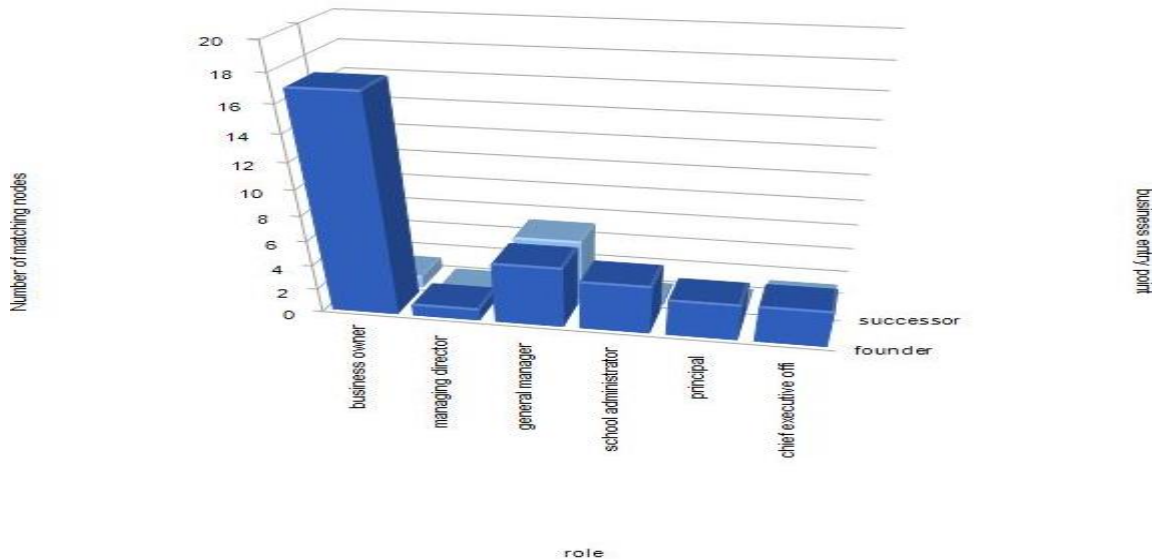


Figure 1: Demographic chart showing ownership pattern (business entry point) of the sampled family businesses and the participants' role in the business

Findings from the demographic chart indicated that eighty per cent (80%) of the businesses under study were in their first generation, still run and managed by the original founder; while only twenty per cent (20%) are in their 2nd generation, run and managed by a successor. This further converges with extant literature on family business survival and long-term orientation (Brigham, Lumpkin, Payne and Zachary, 2014; Zellweger and Sieger, 2012; Marshall et al., 2006; Schwass, 2005).

Family structure and dynamics

Polygamy is well practised in Nigeria, (see table CP.5 of National Bureau of Statistics, 2013:201) and in all African countries. This is seen by participants as a factor that works against family business continuity and sustainability; hence, often, polygamous families experience apparent lack of love lost between siblings, between the wives and general in-fighting among family members. It was further found that in most polygamous families more problems abound where all members of the family are involved in the running of the business and worst still where the owner is retired or dead and the business is left in the hands of the other surviving family members.

Owners who run a monogamous family argue that they have a competitive advantage over other family business owners who run a polygamous home as they feel that their business will likely experience continuity as family members experience more love and cooperation amongst themselves.

You have seen situations, Abiola businesses where are they today? Abiola had numerous businesses, only very few are left after his death. Even the few that are left they are in court everyday due to the polygamous nature of his family.

Another thing is if you talk of a family business and you come up with a family business in a polygamous family before you know it everything will go; in-house fighting will just kill that company. (P01QA6)

So, but the only advantage we still have over others is that it is a monogamous family . . . So, when it is a monogamous family you still expect some love among the children.

For most polygamous families it is always a problem if all of them are involved in running one business. (P03QC5)

Particularly in family businesses being run through inheritance, that is, from the second generation onwards of the business and where many members of the family are directly involved and participate directly in the activities of the business, everyone becomes interested and strives to enrich themselves personally from the fortunes of the business. This interpersonal family dynamics, which is often present in family business operations leads to friction, in-fighting and rivalries among siblings and such frictions stand against family business sustainability and subsequently continuity.

You know, by the time you see every family member become directly interested in every operations of the company there is bound to be misgivings among the family members you see that this one wants a particular share of the business profit, this one wants that and before you know it you see siblings fighting among themselves and pursuing different litigations all over the place. (P32QC5)

In addition, and related to the issue of sibling rivalry, traditional practices related to inheritance in some parts of Nigeria still does not encourage and enhance family business and continuity. The prevailing tradition in most parts of the country has it that the first son inherits his parents with an absolute right and control of whatever the parents have left behind at death. Often, this does not go down well with the other siblings who may feel not fully carried along by the heir. This further result to in-fighting amongst them and consequently retards the growth of the family business.

. . . Customary law . . . like the Ibos use to say . . . that when somebody dies the first son takes the total control of the property.

If the first son takes control of the property ... Others will never fold their hands; they will never wish that business well. Those are things that militate against businesses left behind. (P23QA6)

Spirituality

Family business owners and managers are fervent in their belief that for their business to achieve success, it must be backed up with prayers. Almost all the participants referred to spirituality, prayers and Grace of God in the discussion regarding the success and performance of their business. They believe it is not by hard work alone that a business is able to achieve greater performance, but rather through the divine grace of God, which gives them the direction on what action to take or what to do at every point in time, that success is achieved in business.

. . . I depend mostly in the leading of the Holy Spirit in all that I do. Yes, in all that I do; it is not by your hard work in most cases if not the labourer would have been richer than every other person in the whole world...I pray to God, you understand, God give you Grace, you have Grace, Divine enablement, Divine ability to do what you are expected to do at the right place and at the right time in business. So, it is not like putting more efforts it is not the efforts it is the Grace of the Holy Spirit; if the Grace is available you don't need to struggle in business; that is mine own believe as a Christian; and that is really helping and it is working for me; that is, little efforts, tremendous results. . . (P20QA3)

It was argued that one of the reasons why the issue of prayer, spirituality and Grace of God is so paramount in the mind of virtually every family business owner and operator in Nigeria for the success and better performance of their business is the general system failure in the country.

You see, the government in the western society always empower the private sector and when the private sector performs well the economy will be okay but here hmm, there is no light, there is no water, there is no this... all the utilities have all packed up. There is no empowerment; everybody is just struggling to survive. The workability now depends on the Lord; not only on your ability. Whereas in the other societies they talk about their ability, occupational or professional ability but here we are all out to talk of God, God, God, God because here hmm, nothing works... Nigerian atmosphere is 'inconducive', that is to say, not conducive to business. So, we all have to look forward to God for survival; divine intervention. (P23QC7)

Family Heir

Family business owners are concerned about who succeeds them in the business and about the continued existence of their business when they must have retired from the business. They expressed their preference and desires to hand over the business to their children when they retire from the business or for the business to be carried on by their children when they die. They do all within their reach to fully introduce their children into the business while they are still very active. In situations where it is obvious that there are no interested heirs within the family, hence not all children will definitely be interested in the business being operated by the family; the owners are prepared to transfer the leadership of the business to a trusted non-family member but will not transfer the ownership to a non-family member. They are rather prepared to sell the business or in their term "give the business away" than to transfer the ownership of the business to a non-family member.

I am really concerned to see the business continue to strive after my retirement because if you look at most great businesses in Nigeria that have collapse after the death of the founder one feels sad about it, like the great Abiola business empires, you will agree with me that most of his businesses, if not, all are gone for none because no capable hand to continue the running of the businesses after his death and there are several others like that in Nigeria; so one is really concerned. (P32QA6)

One thing is that the concern . . . Everybody will not be interested in that business but you try to see one person who you will think that might likely be able to carry on and you try to train such person but whereby they all fail you sell the business; you give it away.

. . . because the only way for it to outlive the person is that the children are interested in running such a business . . . but if the children doesn't have interest it is a difficult thing for the business to carry on. (P31QA6)

Based on the findings of this study a framework for a sustainable family business was developed.

Family Business

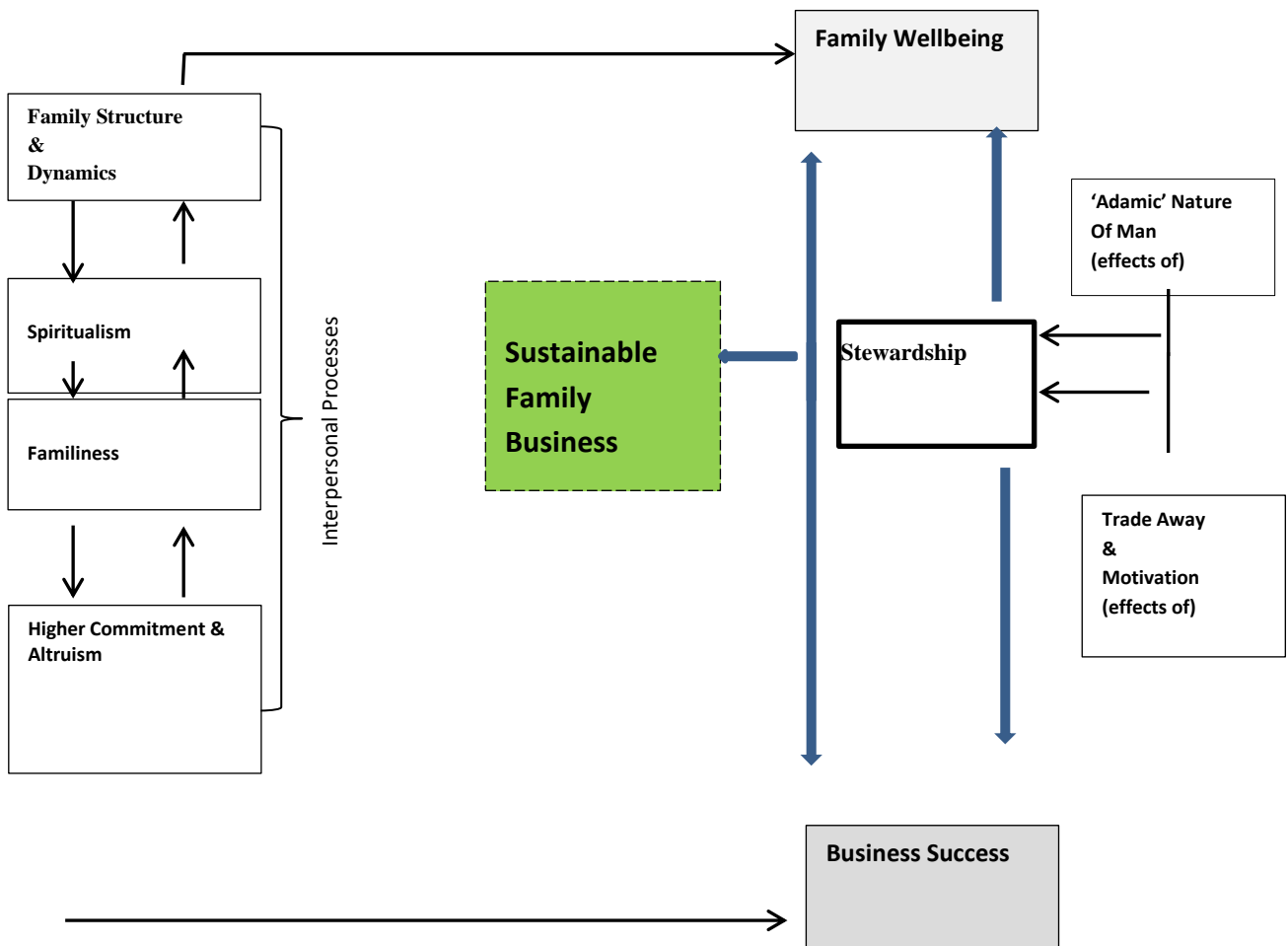


Figure 2: Framework for sustainable small and medium family businesses; Source: Developed based on the findings of this study.

In this framework, the two constructs on the right side, Spirituality (Prayer/Grace of God), Family heir **availability and the construct of family structure and dynamics represents the key findings and major** contributions to the sustainable family business theory (SFBT) earlier developed by Stafford et al., (1999) and built upon by Danes et al., (2008).

Discussion

Family business owners with a monogamous family structure have a competitive advantage over family business owners whose family structure is polygamous. It was argued that monogamous family members experience love lost and better cooperation amongst them. On the contrary, it was argued that the practice of polygamy, which is so prevalent in Nigeria, (see table CP.5 of National Bureau of Statistics, 2013:201) and indeed in other African countries, is inimical to family business success, continuity and sustainability. Often, family members within this family structure experience the intense rivalry and hatred among family members. This scenario degenerates where all members of the family are involved in the running of the business and worst still in family businesses that are run through inheritance, that is, from the second generation onward, where the founding owner is retired from the business or dead and the business is left in the hands of the other surviving family members; the tendency is that every family member becomes interested and strives to enrich himself personally from the fortunes of the business. This runs against the stewardship theory paradigm perspective on which this study is based and subsequently impinges on family business sustainability. Hence, if every family member becomes interested in enriching himself selfishly from the fortunes of the business, the long-term perspective (Miller and Le Breton-Miller 2005) for which the family business is known for will be eroded.

Concurrently, traditional practices related to inheritance in most parts of Nigeria is that the first son inherits and has absolute control of whatever his parents left behind at their death. Often, this further heightens sibling rivalries as the other children of the late business founder feel cheated and will always work against the success of the business especially if they are not properly integrated and involved in the business. Eventually the resultant family dynamics will run contrary to the literature on socio-emotional involvement of family members in the business.

Although no evidence of the link between family structure and family business sustainability has been found in literature as at date, it remains very crucial to family cohesion, well-being and sustainability and business sustainability in Nigeria hence polygamy is widely practised in Nigeria and from inductive evidence, many family business failures have been attributed to family structure and sibling rivalries. With this first aspect of the findings on how family business sustainability can be ensured, it is proposed that:

Proposition 1: A family business with a monogamous family structure will have a greater capability for sustainability than family businesses where the dominant family structure is polygamy.

Spirituality, prayer and the grace of God were highly prized by business owners and managers for the family wellbeing and success of the business. They remained fervent in their argument that for their business to achieve success, it must be backed up with prayers. It was further contended that it is not by hard work alone that a business is able to achieve greater performance, but through the divine grace of God as well, which gives them the direction on what action to take at every point in time. Praying to God always for the success of the family and the business both at the family level with all members of the family and the office level with all staff especially at the commencement of daily business activity is relied upon. When the family well-being is assured, the family can channel all its material resources and manage the business effectively for the business to achieve success. This religious stance of the owning family is entrenched into the business. Fang et al., (2013) had argued that such religious stance of the owning family strengthens stakeholder relationships. If the religious stance of the owning family, which is inculcated into the business, strengthens relationships, it suggests that managers will behave altruistically and selflessly towards the business which promotes stewardship. Although this is not scientific, but being spiritual, it is asserted that God answers prayers and that prayer is the key to success. Family well-being and business success is achieved when founding family members consistently pray to God regarding their family and the business.

Neither empirical nor theoretical evidence have been found in family business literature to confirm or invalidate this finding but suffice to state that McCuddy and Pirie (2007) asserted that in the new economy, the loss of value regarding spirituality and stewardship accounted for many business failures. Further, they asserted that spiritual and stewardship considerations can no longer be glossed over if an organization is to achieve a long-term survival and prosperity. This element of spirituality arises from the ideals and values of the owning family, which they inculcate into the business.

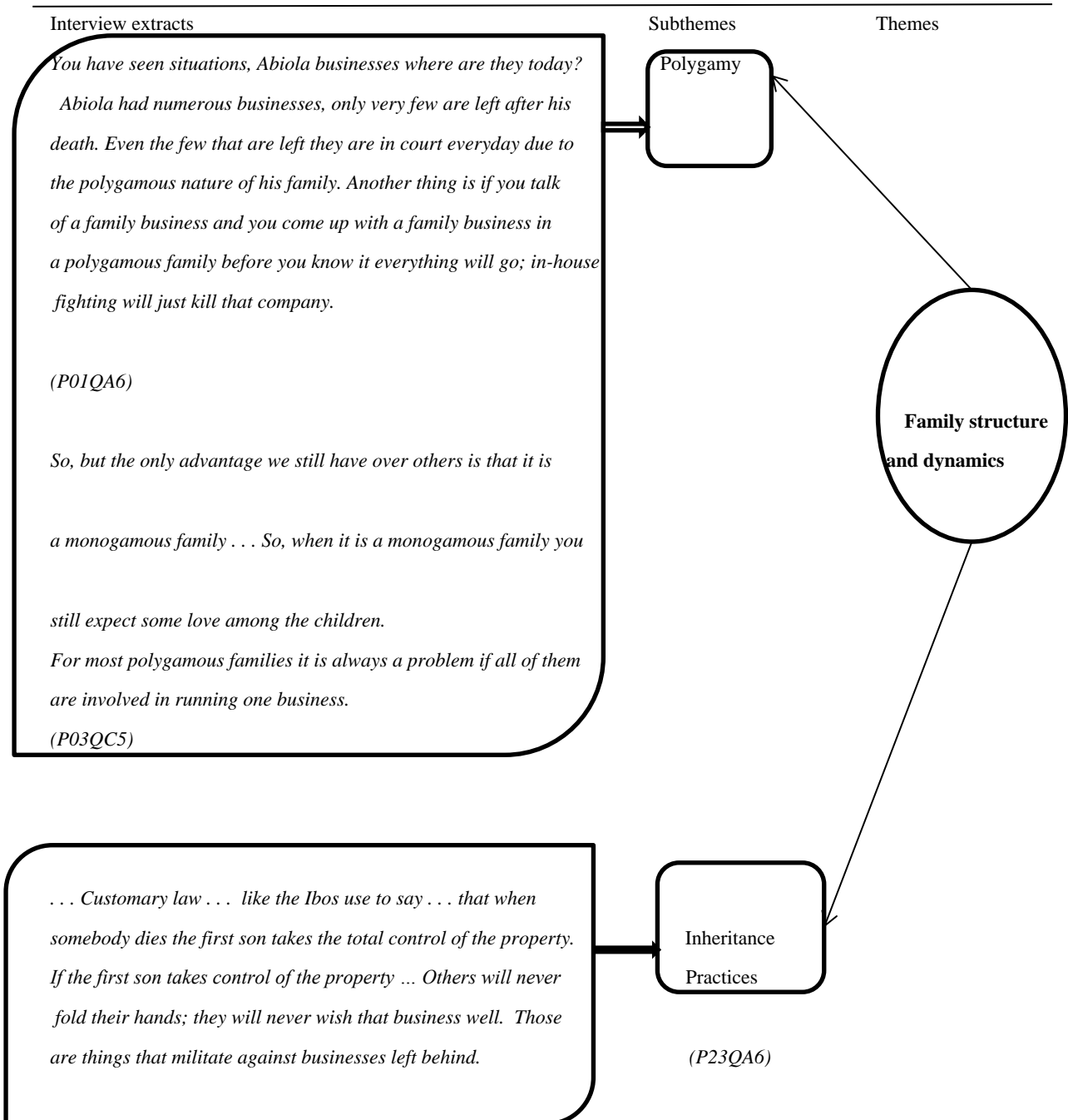
Environmental factors in the form of a general system failure in the country might explain this reliance on prayer and spirituality for family wellbeing, success and sustainability of the business by family business owners and managers. In Nigeria the business environment is rather harsh for small and medium business owners. For business owners to operate their business, they contend with so many issues ranging from multiple taxations, non-functional public utilities like electricity, public water supply and poor access roads. As all hope and confidence are lost on the government to provide all these utilities, Nigerians in general, including owners of small and medium family businesses, resort to praying to God for divine intervention to always overcome the harsh situation.

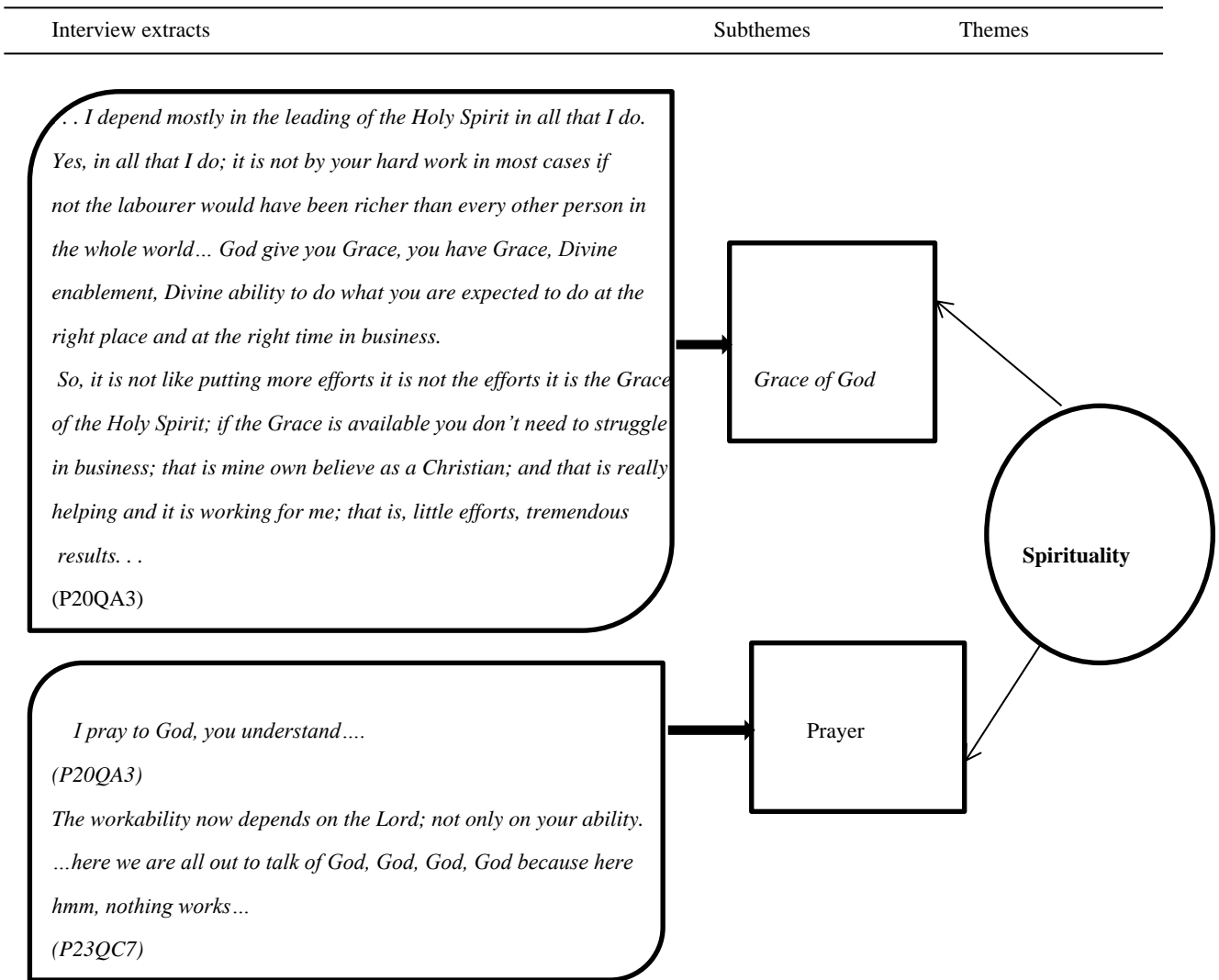
Proposition 2: The element of spirituality arising from the ideals and values of the owning family will give a competitive advantage for achieving family wellbeing and business sustainability to owning families who practice the faith.

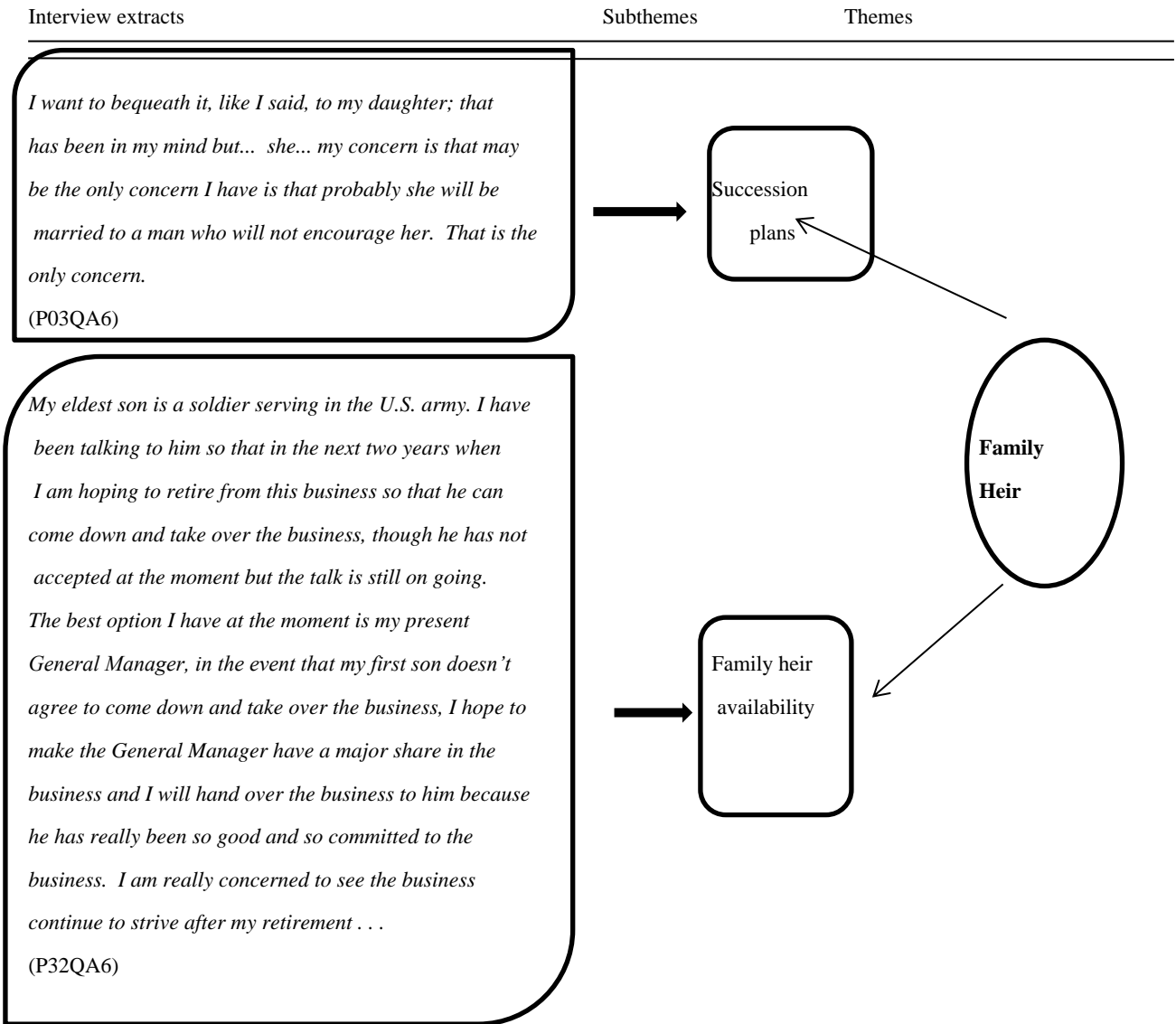
Where there are no available heirs within the family, hence not all family members will be interested in the business being operated by the family; the owners are prepared to transfer the leadership of the business to a trusted non-family member but will not transfer the ownership to a non-family member. Transferring the ownership of the business to a non-family member signifies a psychological end of the family as the existence of the family business is tied to the existence of the family and no family member wants to see the end of his family. This finding converges with Boyd, Botero and Fediuk, (2014); Obadan and Ohiorenaya (2013) on incumbent decision about succession transitions in family firms; where it was stated that where there is no ready successor to take over the business for reasons of inadequate education or being too young, the incumbent owner may appoint an outsider to manage the business while the prospective successor learns until he is fully prepared to take over. In our argument, we note that such structural arrangement often leads to conflict between the business leadership and the owning family.

Owners are rather prepared to sell the business or in the term used by the participants “give the business away” than to transfer the business to a non-family member. This difficulty in transferring the business to a non-family member equally aligns with the findings of Boyd, Botero and Fediuk (2014). Although many literatures on family business succession abound: (cf. Jaskiewicz et al. 2015; Jaskiewicz, Lutz and Godwin, 2015; Boyd, Botero and Fediuk, 2014; Obadan and Ohiorenaya, 2013; Nordqvist, Wennberg and Hellerstedt, 2013) issues of succession and heir availability remains daunting to family business sustainability. In the face of this situation, it is here argued that a family business will not experience sustainability on the retirement or death of the founding owner where there is no heir availability from the owning family hence heir availability from the owning family is a curtain-raiser and very paramount to achieving family business sustainability. This discussion has led to the following proposition:

Preposition 3: *Non-family member heir availability will lead to cessation of the business and literarily suggests cessation of the family.*







Conclusions

This paper addresses the constructs determining the sustainability of small and medium family business in an emerging market economy and has identified the necessary constructs and the capabilities required of family business owners and managers in their business to ensure inter-generational sustainability in their businesses. Three key constructs of family structure and dynamics, spirituality and family heir and how these constructs can interplay in determining the continuity of family businesses have been empirically explored. The results have been discussed in line with extant theoretical approaches with the view to advancing further discussions and debate and creating meaningful impact on business practices.

This study contributes to the family business literature in the following ways:

Evidence from this study showed that a monogamous family structure gives a competitive advantage over a polygamous family structure which is identifiable with intense rivalry among kinships and siblings, and the selfish enrichment of individuals from this family structure from the fortunes of the business. Such selfish enrichment sets forth a parameter for the business failure and eventual closure. This runs contrary to the long-term perspective (Miller and Le Breton-Miller 2005) of family businesses. As the family structure remains a central issue in family businesses in Nigeria, determining its failure or success, it is worth considering embedding the family structure as a vital element in the sustainability model of family businesses. Further research in this area needs to be carried out specifically on the overwhelming impact of family structure in the operations of family businesses.

Although the construct of spirituality is consistent with that of McCuddy and Pirie (2007), their findings were not made within the sphere of family business and their argument is in the direction that spirituality in business engenders stewardship which aids business

success; wherein the findings and the argument of this paper is that a direct input of prayer and grace of God through a divine intervention guarantees family cohesion and brings about success and sustainability to the business of those who believe in the faith.

This finding has, therefore, added to the family business literature and the wider literature on business sustainability by establishing that spirituality, prayer and grace of God are constructs that should be applied in determining the sustainability tenets of family businesses. This must, therefore, become an integral component of a sustainable model of family business.

In the event of non-family member heir availability at the retirement or death of the founding owners, owning family is rather prepared to sell their business or in the term used by the participants “give the business away” than to transfer the business to a non-family member. Transferring the business to a non-family member suggests ‘cessation’ of the family. Heir availability from the owning family is, therefore, very paramount to family business sustainability. In the light of this, owning families are to put in place a process of establishing and ensuring family heir availability and grooming for eventual takeover of the business in the event of retirement or death of the predecessor.

In consideration of the findings, discussion and conclusion, it is recommended that future research should also explore the impact and influence of family typology, a consideration of the influence of a business family on sustainability and performance of family businesses. Future research may investigate also, family business survival and sustainability in family businesses with several portfolio holdings, as in, Habbershon and Pistrui, (2002); hence, till date empirical studies on family business sustainability are largely concentrated on families owning a single business. In effect, business diversification by owning families could give a competitive advantage, as it may be a springboard for a long term inter-generational influence of a family business performance and sustainability; since the failure or an apparent poor performance of a portfolio can be absorbed by the success from other portfolios.

Limitations of the Study

This study made useful findings and contributions to the field of family business. However, there is a limitation of this study, based on the cross-sectional research design that was used. A structured face-to-face interview questionnaire was used as the main source of data gathering. The data were collected within a frame of time. Hence, the data gathered for this study may not sufficiently capture changes over time and for a study regarding continuity and/or sustainability, a longitudinal research design would have better captured the substance of sustainability.

More so, the dynamic, richness and heterogeneous nature surrounding the study of family business make its underlying phenomenon to be characterised by nuances. A cross-sectional study of this nature has the tendency of debasing richness, dynamism and nuances characterising family business. A longitudinal research design would have yielded an all-inclusive information and richness that can foster a better understanding of the underlying tenets necessary for family business survival and sustainability.

Concluding Remarks

Findings from this paper gave an indication that family business owners in an emerging market strive to ensure the survival and sustainability of the business as the failure of the business is likened to the non-cohesion, failure and cessation of the owning family. Driven by this, owners are highly committed and show stewardship towards sustaining the business.

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