

Special Issue
Innovation in family firms: responses to recent developments

Guest Editors:

Maksim Belitski, University of Reading, UK
m.belitski@reading.ac.uk

Nada Khachlouf, ICD Business School Paris, France
nkhachlouf@groupe-igs.fr

Caroline Mothe, IAE Savoie Mont-Blanc, France
carolinemothe@yahoo.fr

Alfredo De Massis, Free University of Bolzano-Bozen, Italy
Alfredo.DeMassis@unibz.it

Petra M. Moog, Siegen University, Germany
p.moog@uni-siegen.de

Overview

Since the early 1980s, the rapid growth of family business research has led to the establishment of the academic field of family business. Since, researchers on family firms have paid increasing attention to the antecedents, consequences and anatomy of innovation in family business across various contexts (De Massis et al., 2013 ; De Massis, Minin, & Frattini, 2015). Theoretical and empirical research clearly shows that family firms have highly idiosyncratic characteristics, distinguishing them from their non-family counterparts in a way they innovate and create value (Andreini, Bettinelli, Pedeliento, & Apa, 2020; Schell, Hiepler, & Moog, 2018).

The literature also reveals the existence of paradoxes in the innovative behavior of family firms, and tensions between, for example: capacity and will, tradition and change, control and autonomy, or liquidity and growth (Chrisman, Chua, De Massis, Frattini, & Wright, 2015; Ingram, Lewis, Barton, & Gartner, 2016; Magistretti, Dell'Era, Frattini, & Petruzzelli, 2020). In particular, previous research highlights the desire to preserve tradition and non-financial objectives and the role of Socio-Emotional Wealth (SEW) (Berrone, Cruz, Gomez-Mejia, & Larraza-Kintana, 2010; Erdogan Rondi, & De Massis, 2020; Ruf, Graffius, Wolff, Moog, & Felden, 2020; Ruf, Moog, & Rius, 2020). For example, acting in a manner consistent with their SEW objectives, founders of family firms, concerned about their business's sustainability, are likely to reject changes that could jeopardize the family SEW.

Despite the existence of paradoxes in family businesses' innovative behavior, recent research shows that these firms are at least as innovative as non-family businesses (Calabrò et al. 2019). To achieve this, these companies adopt different innovation models that rely, among other things, on limited access to resources, such as the Mittelstand in Germany (De Massis, Audretsch, Uhlaner, & Kammerlander, 2018). Therefore, it would be interesting to understand how family businesses manage to adapt their innovation strategy taking into account internal factors, such as intergenerational succession (Gimenez-Jimenez et al., 2020; Schell, Hiepler, & Moog, 2018), as well as exogenous shocks (De Massis & Rondi, 2020; Mzid, Khachloui, & Soparnot, 2019) such as financial crises or pandemic.

In particular understanding the context where family firms operate has important implications in providing stronger grounding for family business theories and concepts (Jaskiewicz et al., 2020) through inbound and outbound theorizing (Jaskiewicz, Neubaum, De Massis & Holt, 2020). Therefore, we argue that examining how family firms adapt and contribute to shaping and transforming their contexts will reinforce our understanding of innovation family firms.

A context that is little explored in the literature on innovation in family firms is social and environmental innovation (Calabrò, Vecchiarini, Gast, Campopiano, De Massis, & Kraus, 2019; Huang, Ding, & Kao, 2009). Yet, social responsibility concerns of family firms stem from the importance they give to their social legitimacy (Berrone et al., 2010). Accordingly, it is legitimate to ask: to what extent can idiosyncratic characteristics of family firms affect their social innovation and environmental innovation behavior?

Another context that deserves to be explored in family firms is collaboration with external partners (Feranita, Kotlar, & De Massis, 2017). From this perspective, the competitive advantage lies in the ability of firms to collaborate and share knowledge (Calabrò et al. 2019). Existing studies indicate that family firms are not particularly predisposed to build collaborative relationships because of their strong concerns about the potential loss of control (De Massis, Frattini, & Lichtenthaler, 2013). Additionally, family firms may have more conservative organizational structures that could inhibit their predisposition to open innovation. A broader conception of Socio-Emotional Wealth is needed to advance research on this topic (Miller & Le Breton Miller, 2014) by examining how attributes specific to family firms (like SEW) facilitate/hinder open innovation.

Furthermore, while research focuses on the macro and micro levels of innovation in family firms, the context's effects at the industry level remain less understood. Indeed, the innovation behaviors of family firms can be different from one sector to another and, if family firms have been successful in traditional sectors (de Groot, Conrad, & Hack, 2020; Le Breton-Miller, & Miller, 2015), they are emerging more and more and orient themselves in emerging industries such as Industry 4.0. This shift questions the role of industries in explaining the variety of family firm's innovation behavior.

Aim of the special issue

The aim of the special issue is to offer a comprehensive understanding of family firm ability to innovate and successfully compete in different innovation contexts. This would lead us to better understand how family firms, while being deeply rooted to their origins, tradition, and identity can be highly innovative in different settings?

This special issue shows how family involvement in ownership and management can set off self-reinforcing cycles of firm adaptation in response to the changing context of innovation. The special issue will identify combinations and conditions leading to high levels of innovation in family firms and how they can overcome the inertia created by their SEW concerns. By doing so, we account for the interrelationships between family-, firm-, and environment-level innovation antecedents.

On a theoretical level, examining the behavior of family firms in various contexts allows to build bridges between different academic disciplines: for example, between agency theory, where the SWE approach is deeply rooted, and other theoretical approaches such as sustainability theory, stewardship theory or stakeholder theory. Integrating different theoretical disciplines would, in our opinion, consolidate the research on innovation in family firms.

Novel theorizations of context using insights from other disciplines such as sociology or geography, or using different methods are particularly welcome.

Examples of contribution include, but not limited to:

- The impact of different dimensions of socio-emotional wealth on the societal orientation in family firms
- How do family firms respond to pressures from various types of stakeholders in the context of environmental innovation?
- How does socio-emotional wealth change over time and across generations, and what are the consequences for social innovation?
- How does the impact of exogenous shocks on family firms differ—or not—from that of more progressive changes (such as climate and societal change)?
- How do family firms implement open innovation strategies that allow them to manage internal and external knowledge flows with the aim of improving their capacity to innovate?
- What challenges does open innovation present to the "innovation through tradition" model adopted by family firms?
- How do different dimensions of Socio-Emotional Wealth affect open innovation in family firms?
- Are there differences between family and non-family firms in their willingness and/or ability to embrace open innovation?
- To what extent does social capital of managers (both family and non-family members) affect open innovation?
- The diversity of business models and innovation in family firms depending on sector specificities
- The influence of entrepreneurial orientation of family firms on innovation in different activity sectors
- The “Mittelstand” model beyond manufacturing and beyond Germany
- Socio-emotional wealth and other perspectives to explain the behavior and philosophy of the family business in terms of innovation

The above questions, and many others, would highlight the areas in which we believe that academic research should devote more energy and resources in order to advance research on innovation in family firms.

Following the editorial line of the “Revue de l’Entrepreneuriat”, this special issue adopt a multidisciplinary and multi-contextual approach through the diversity of perspectives suggested

for the study of innovation in family firms. This disciplinary diversity is strengthened by the different nationalities that compose the guest editorial team of this special issue (France, Germany, United Kingdom and Italy), consisting of researchers who are experts either in family firms or in innovation. The objective is to increase the diffusion of this special issue on an international scale, which should contribute to the international outreach of the journal.

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Biography of the Guest Editors

Dr. Maksim Belitski is Associate Professor in Entrepreneurship and Innovation at Henley Henley Business school, University of Reading and a Research Fellow at the Institute for Development Strategies, Indiana University Bloomington (US). His research interests lie in the area of Entrepreneurship, innovation and regional economics, with a particular focus on Entrepreneurship as a spillover of knowledge and creativity. He is on the editorial board of the *Small Business Economics Journal* and is Associate Editor of *Electronic Commerce Research and Applications Journal*. He has been Guest Editor of several Special Issues: *Technology Forecasting and Social Change* on “Latent and emergent entrepreneurship” (2021), *International Journal of Entrepreneurial Venturing* (2020) on “Technology Adoption over the Stages of Entrepreneurship”, *Small Business Economics* (2019) on “Knowledge frontiers and Knowledge boundaries of entrepreneurship research”, *International Entrepreneurship and management Journal* (2019) on “Knowledge management in entrepreneurial organization”.

Dr. Nada Khachlouf is Associate Professor in Entrepreneurship and Strategy at ICD Business School of Paris, and co-head of the Social Entrepreneurship pole. Her research interests revolve around, entrepreneurship, innovation, knowledge networks, and collaborative relationships, with a specific interest in family firm’s collaboration and its impact on innovation strategies. She recently published on the role of family capital in the resilience of family firms. She is also interested in topical issues in Entrepreneurship, typically, the role of people with disabilities and health conditions in latent/emergent Entrepreneurship. She is a reviewer for *Small Business Economics Journal*.

Prof. Caroline Mothe is full professor of strategic and innovation management at the Institute of Administration of the University of Savoie (IAE Savoie Mont Blanc) and member of the IREG research laboratory. Interested in inter-firm cooperation and in innovative organizations, she actually coordinates several research projects on intra and inter-organizational innovation processes, and on green and sustainable innovation. She published many articles related to these fields in international journals. She has been member of the scientific committee of 5 academic Journals: *M@n@gement*, *Revue Française de Gestion*, *Management International*, *Economies et Sociétés, série Dynamique Technologique et Organisation*, *Business Management Review*.

Alfredo De Massis is Professor of Entrepreneurship & Family Business and the Founding Director of the Unibz Centre for Family Business Management. As one of the most productive

family business academics globally, Alfredo was named among the world's 25 star professors for family business in 2015. Among various editorial roles, he is Editor of the influential journal *Entrepreneurship Theory & Practice* in the *Financial Times* rank of top 50 journals, and Associate Editor of the prestigious *Family Business Review*. Alfredo serves on the boards of public and private organizations internationally, including in Italy, China, the US, Germany, and the UK. Alfredo's research has advanced understanding of how family business leaders balance economic and non-economic goals in strategic decision making, including complex digital transformation decisions undertaken by family enterprises. His research has been published widely in leading academic and professional journals including *AMJ*, *SMJ*, *JOM*, *JMS*, *JBV*, *ETP*, *RP*, *JPIM*, *AMP*, *FBR*, *JBE*, *CMR*, *AMLE* and has been featured in various media outlets including *Financial Times*, *Harvard Business Review*, *CNBC*, *The Sun*, *Daily Mirror*, *The Independent*. His research has also been published by the *European Commission* as scientific and technical report and has been presented to the *UK Government* and *UK Parliament*. Known for his ability to bridge disciplines, including history, psychology and management, Alfredo has guest-edited more than 20 special issues of leading academic journals on general management.

Prof. Dr. Petra M. MOOG is a Chair for Family Business and Entrepreneurship at Siegen University, since October 2007. She is a Member of the University Council, Siegen University, Member of STEP Program, Senior Research Fellow at the Institute for Development Strategies/Indiana University, Member of the Editor Board – *Journal of Family Business Strategy*. She studied economics at the University of Cologne. She has been a research fellow at MIT, Boston. Petra Moog teaches Entrepreneurship and Family Business, as well as Empirical Research Methods. Her research interests are in family business and entrepreneurship, often related to personnel economics theory like human and social capital. Right now her projects are focused on Values in Family Business and how they influence strategy and decision making. Another focus is on Social Capital in Family Business.

Submission

Submission of the contributions should be using the following link:

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Schedule

- Submission deadline: 15 June 2021
- Decision of the scientific committee: 01 August 2021
- Revisions deadline: 10 October 2021
- Second revision deadline: 10 January 2022
- Final acceptance: 15 February 2022