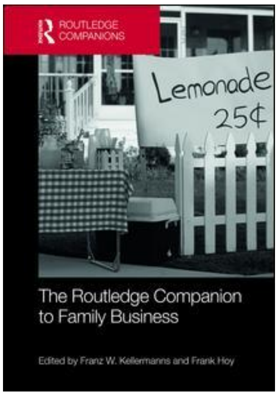

The Routledge Companion to Family Business

Franz W. Kellermanns, Frank Hoy

Corporate Entrepreneurship in Family Business

Publication details
https://test.routledgehandbooks.com/doi/10.4324/9781315688053.ch14
Tommaso Minola, Giovanna Campopiano, Mara Brumana, Lucio Cassia, Robert Paul Garrett
Published online on: 29 Sep 2016

14

CORPORATE ENTREPRENEURSHIP IN FAMILY BUSINESS

The When and How

Tommaso Minola, Giovanna Campopiano, Mara Brumana, Lucio Cassia, and Robert Paul Garrett

Introduction

Entrepreneurial endeavors are not limited to individual efforts in matching environmental opportunities and resources to create wealth. Since "entrepreneurial attitudes and behaviors are necessary for firms of all sizes to prosper and flourish" (Barringer and Bluedorn, 1999: 256), modern corporations are systematically challenged to find new ways of serving markets, innovating new products, and dynamically organizing resources and capabilities in order to foster entrepreneurship as an enduring organizational behavior (Busenitz and Barney, 1997). In the domain of entrepreneurship, scholars are increasingly interested in investigating the phenomenon of corporate entrepreneurship (CE) as the set of entrepreneurial activities and strategies that firms can leverage to prosper and grow, developing from start-up to the maturity phase when the firm has to rejuvenate itself to survive (Kuratko, Hornsby, and Montagno, 1990; Markides, 1998; Hitt et al., 1999; Stringer, 2000). The overarching framework of CE, as suggested by Sharma and Chrisman (1999), comprehensively integrates innovation, corporate venturing, and strategic renewal. These entrepreneurial activities also have positive effects on firm performance (Kuratko, Hornsby, and Montagno, 1990; McGrath, Venkataraman, and MacMillan, 1992; Knight, 1997; Zahra, Nielsen, and Bogner, 1998). Most important, CE represents a source of constant renewal and allows repeated acts of entrepreneurship through a firm's development pattern.

CE scholars have recently found great interest in the case of family firms. Family firms are defined as businesses "governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families" (Chua, Chrisman, and Sharma, 1999: 25); and they represent a particularly rich context for the study of CE (Hall, Melin, and Nordqvist, 2001). Besides, family firms account for the vast majority of firms in most economies (IFERA, 2003). Given their unique concern for sustained regeneration and transgenerational succession, the development of CE is specifically critical to family firms (Nordqvist and Melin, 2010). Transgenerational entrepreneurship—i.e., the process through which a family uses and develops entrepreneurial mindsets, family-influenced resources, and capabilities—in particular, allows family firms to consistently adopt innovative, risky and proactive strategic postures. Based on this, they can create value across generations and uniquely support the longevity of the business activity (Zellweger, Nason, and Nordqvist, 2012).

Research has shown that family firms are potentially different in their engagement in entrepreneurial activities with respect to other businesses. Family-centered economic and non-economic goals, together with particularistic power structures, incentives and norms that often characterize these firms (Carney, 2005; Harris et al., 1994), severely affect strategic and entrepreneurial processes (Kellermanns et al., 2008). "For these reasons, the intersection of research in family business and corporate entrepreneurship presents fertile ground for future research efforts" (McKelvie et al., 2014: 341).

The uniqueness and ubiquity of family firms have fostered their recognition by management and entrepreneurship scholars (De Massis et al., 2012). At the same time, their rich behavioral and organizational diversity has prompted family business research to contribute and inform mainstream management and entrepreneurship theories (Sharma, Chrisman, and Gersick, 2012). Whereas most of the aforementioned strategic dimensions of CE in family firms have received attention from recent empirical contributions (Kellermanns and Eddleston, 2006) and research systematizations (McKelvie et al., 2014; Sciascia and Bettinelli, 2013), there seems to be one major gap that still undermines the establishment of the field—thus calling for urgent investigation—that is, the temporal dimension. Indeed, there is room to further understand how antecedents, boundaries, and processes of CE vary along the dynamic development of family firms over time. The inter- or multi-generation nature of enterprising families (Cruz and Nordqvist, 2012) and the role of different family system configurations (Kellermanns and Eddleston, 2006) have received some attention in the scholarly investigation about CE; however, we miss an understanding of the extent to which the recently developed body of research on CE in family firms has explicitly integrated these elements and has conceptualized the temporal evolution of family businesses. In particular, based on the extant body of knowledge, we formulate two research questions: (a) How can the complexity of family firms' dynamic evolution contribute to explain family firm engagement in CE in different moments in time? (b) To what extent has research on CE acknowledged this, and which major areas of contribution remain untapped?

To address this, this study first investigates the dynamic nature of CE in family firms. To assess whether Hoy's (2006) claim, that family firms' entrepreneurial initiatives should be investigated considering the "complicating factor of life cycles," has been sufficiently explored by literature, we focus on the role of temporal dynamics in a sample of 75 papers on CE in family firms from scholarly journals; in particular, we explore the individual and joint impact of different developmental dimensions of family firms on CE activities and strategies. Because of their distinctive characteristics in terms of ownership and governance, management, and long-term orientation, family firms have to simultaneously cope with multiple life cycles (individual, familial, ownership, corporate, etc.) in order to innovate and prosper (Gersick et al., 1997). Drawing on the Family Business System Model (Tagiuri and Davis, 1996) we concentrate on the role of ownership, business, and family developmental stages and cycles (Gersick et al., 1997). In that view, these developmental dimensions can be seen as interacting variables that impact the family firms' entrepreneurial behavior (Hoy, 2006). Family firms offer a unique perspective to clarify the complex process of CE and its triggers. Therefore, family firms represent a particularly insightful domain to explore the "when" question of CE (Hoy, 2006; McKelvie et al., 2014). Second, this research provides an explorative conceptual development based on the most prominent theoretical conceptualization of family firms' developmental dimension (Gersick et al., 1997) and CE (Kuratko et al., 2010), to define theoretical and empirical gaps and suggest future research directions.

The chapter is structured as follows. The next section develops the theoretical foundation of our work by clarifying the domain of CE and the developmental nature of family firms. The third section provides a literature review of CE in family firms by specifically assessing the extent to which such developmental nature is accounted for by the scholarly debate. The fourth section builds an agenda for future research. The fifth session discusses and concludes the chapter.

Theoretical Framework

CE and Family Business

CE refers to the set of entrepreneurial activities that can help a firm to grow from its early stage, through maturity, and rejuvenate to survive a corporate or market decline (Kuratko et al., 1990). CE is an umbrella concept that includes phenomena ranging from new firm creation to corporate venturing, from innovation to internationalization (Sharma and Chrisman, 1999). A number of definitions have been provided in extant literature (McKelvie et al., 2014). One of the cornerstones in the field is considered the definition by Guth and Ginsberg (1990) that encompasses two main components of CE: the creation of new ventures within existing organizations (*corporate venturing*) and the transformation of organizations via *strategic renewal*.

Covin and Miles (1999) define CE through a broader approach, considering concepts such as *sustained regeneration*, *organizational rejuvenation*, and *domain redefinition*. In parallel, Sharma and Chrisman (1999) identified three domains within which CE should be investigated; these are *corporate venturing*, *innovation*, and *strategic renewal*. Their study summarized and framed the diverse past contributions, discussing also the broad variety of terms used for the entrepreneurial efforts within an existing organization, such as *corporate entrepreneurship* (Burgelman, 1983; Zahra, 1991); *corporate venturing* (Biggadike, 1979); *intrapreneuring* (Pinchot, 1985); *internal corporate entrepreneurship* (Jones and Butler, 1992); *internal entrepreneurship* (Vesper, 1984); *strategic renewal* (Guth and Ginsberg, 1990); and *venturing* (Hornsby et al., 1993).

Entrepreneurial Orientation (EO) is a construct central to the scholarly conversation on corporate entrepreneurship (Hoskisson et al., 2011). EO focuses on the extent to which firms are characterized by a decision-making style that is proactive, risk-taking, and innovative as they pursue opportunities (Miller, 1983; Covin and Slevin, 1990). Most studies find that EO enhances firm performance, but they also highlight the importance of boundary conditions. For example, previous research has assessed the contingent role of firm resources (Wiklund and Shepherd, 2003), firm culture (Burgelman, 1984), firm structure (Green, Covin, and Slevin, 2008), social capital (Stam and Elfring, 2008), as well as environmental attributes (Covin and Slevin, 1989; Lumpkin and Dess, 2001; Wiklund and Shepherd, 2005; Zahra and Covin, 1995). Firms exhibiting EO are characterized as "geared towards innovation in the product market field by carrying out risky initiatives, and which are the first to develop innovations in a proactive way in an attempt to defeat their competitors" (Miller, 1983, p. 771). With respect to CE, it has to be acknowledged that EO may play a different role according to the different extension of the concept adopted by scholars in their investigations (George and Marino, 2011). Indeed, while EO has been considered a direct measure of CE in some cases (e.g., Kemelgor, 2002), in other studies it has been considered a strategic posture that represents an antecedent (e.g., Lumpkin and Dess, 1996; Zahra, 1991) or a conditioning factor (Dess and Lumpkin, 2005) of CE. However, even if Miller's (1983) foundational definition of EO as a strategic posture is distinct from CE from a procedural point of view, following numerous recent works (Covin and Lumpkin, 2011; Memili, Lumpkin, and Dess, 2010), we frame EO as "orientation towards corporate entrepreneurship actions," as Zahra points out (1991, p. 272). Based on this, and in line with recent reviews (e.g., McKelvie et al., 2014), we will include EO in our review of CE.

In the field of CE, scholars have addressed several issues, which have been studied according to different levels of analysis and during multiple stages of the life cycle of a venture. A number of researchers, in particular, have developed a stream of this research field asking whether the family has a role in fostering CE, and in building the context to develop a venture entrepreneurially. Moreover, the ubiquity of family businesses in the world (Anderson and Reeb, 2003) and their important contribution to economies across the world (Villalonga and Amit, 2009) prompted scholars to investigate entrepreneurial activities in family businesses. Family businesses represent a particular type of enterprise as the presence of the family unquestionably affects the business. Investment horizons, risk aversion, diversification plans, and return aspirations (Thomsen and Pedersen, 2000) have different value for different owners. Ownership structure, therefore, affects the firm's entrepreneurial activities and innovation outcomes (Hoskisson et al., 2002). Moreover, family involvement in ownership and governance generates resource bundles unique to the family firm (Habbershon and Williams, 1999), such as social capital (Sirmon and Hitt, 2003), human capital (Sardeshmukh and Corbett, 2011) and *patient* financial capital (Muñoz-Bullón and Sanchez-Bueno, 2011). These resources and processes distinctly affect family firms' tendency to rely on CE. Furthermore, the distinctive incentives, power structures, and legitimacy norms that characterize family firms (Gedajlovic and Carney, 2010; Gedajlovic, Lubatkin, and Schulze, 2004; Jensen and Meckling, 1976) have been shown to create particular advantages and barriers that may significantly affect their entrepreneurial behaviors.

However, Chrisman, Chua, and Sharma (2005) argued that our knowledge about CE activities of family businesses is comparatively underdeveloped in comparison to what we know about CE in general. To contribute in this stream, Hoy (2006) suggests disentangling the different dynamic mechanisms of family influence on CE; in this vein, we introduce the developmental model of family firms drawing on Gersick et al. (1997).

Family Business Developmental Dimensions

Family businesses can be described as three independent but overlapping subsystems – business, ownership and family (Tagiuri and Davis, 1996). The three-circle model, by separating these three domains, is a very useful tool for clarifying the motivations, perspectives and hence behaviors of individuals differently positioned in the system, as well as for understanding conflicts, priorities, and boundaries in family firms. For example, the decision to distribute or reinvest dividends may be better understood considering each participant position in the three-circle model: a family member, who is an owner but not involved in the business, may prefer dividends to be distributed; conversely, a family member working in the family firm without owning its shares may prefer dividends to be reinvested in order to expand the business and create career opportunities.

In order to make the three-circle model more suitable to the reality of family and business organization, Gersick et al. (1997) advance an additional dimension to be considered: time. As a matter of fact, the model provided by Tagiuri and Davis (1996) is static and does not consider that ownership, as well as business and family systems, change over time, developing across generations, as the family and the firm grow.

Among the different approaches to handling time, Gersick et al. (1997) initially suggest the adoption of the life cycle as a paradigm to model how ownership, business and family systems change (Hoy, 2006). Life cycles have been borrowed from biological evolution theories, and to some extent they can provide relevant insights according to the cyclic metaphor of birth, growth, maturity, decline, and renewal of organizations, as well as families, products or industries (e.g., Hoy, 1995; Scott, 1971). However, this model may appear too simplistic. The development of each dimension can follow a different approach, and therefore, different perspectives may be adopted to represent the evolution of each dimension over time. Indeed, there are firms that intentionally remain small in terms of size and organizational complexity for a long time, especially in family-run companies (e.g., Carland et al., 1984). Or, it is possible to find family businesses where ownership is concentrated along the generations as a pruning strategy is adopted in the succession process (Lambrech and Lievens, 2008).

The main drawback in adopting a standard life cycle approach relates to the fact that it is mostly suitable for entities whose development is ascribable to biological timetables. When considering organizations, and in particular family firms, it is also necessary to think about the social and economic conditions that continuously change (Hareven, 1978). Moreover, the difficulty to identify exact stages in life cycles, due to the continuity of family business system development, led Gersick et al. (1997) to think of more sophisticated perspectives. Indeed, it might be simplistic to consider that each system's structure changes according to a fixed path, as it is the case of ownership or business systems that may remain static over time and across generations, as well as suddenly change several times in a very short period of time. For example, equity may be transferred back and forth within and between generations, or consolidate and grow for a long period (Gersick et al., 1997); and there may be firms entering a growth phase after the maturity stage, or have several growth peaks and declines while still in the startup stage (Greiner, 1997). Indeed, it is the "biological metaphor of life cycle" that does not allow for nonlinearity, unpredictability and emergence (Wales, Monsen, and McKelvie, 2011); instead, it may be worth following an approach to growth and evolution that considers the dynamic nature of firms' development, adopting a framework that allows to consider developmental dimensions beyond the simplistic view of subsequent stage-based life cycles (Levie and Lichtenstein, 2010).

The Three-Dimensional Developmental Model proposed by Gersick and colleagues (1997) goes beyond the biological metaphor of life cycle and thus provide a useful framework to investigate the development of FBs over time. The dynamics of family firms, indeed, are analyzed through a combination of stages across ownership, family and businesses. The progression from one form to another along the three dimensions is portrayed as developmental since it is possible to find, at least partially, a predictable sequence of these forms while the business family ages and the business changes in terms of growth and complexity over time (Gersick et al., 1997). "Thinking developmentally" about these three dimensions means, on the one hand, taking into account the temporal evolution of the family firm's ownership structure, development of family issues—such as the entry of a new generation, the authority transfer from parents to children, the relationships between siblings and cousins—as well as organizational change. On the other hand, it allows a certain degree of flexibility in the description of family firms' developmental patterns.

In Table 14.1 we briefly describe the characteristics, the idiosyncratic challenges and managerial issues in each stage of the three developmental dimensions.

Ownership Developmental Dimension

The Ownership Developmental Dimension (ODD) describes the development of ownership as the factor that intrinsically characterizes the family business as such. Beyond the firm name or the employment of family members, it is the family ownership that defines the family business (Nordqvist, 2005). Changes in ownership, an event of small entity, can represent a dramatic change in firm identity and strategy, and in turn, affect its behaviors and business processes (Miller, Le Breton-Miller, and Lester, 2011). The developmental thinking, as opposed to rigid life cycle reasoning, is of particular value in analyzing ownership; even when single owners change, ownership structure can remain static for generations. Conversely, in most cases, ownership dilution is a slow, on-going process, that is subject to a continuous and long transitional process, rather than static

Table 14.1 Family Business Developmental Dynamics

Ownership Developmental Dimension (ODD)		
Stage (characteristics)	*Key Challenges*	*Keywords*
Controlling Owner Stage (ownership control consolidated in one individual or couple; other owners, if any, have only token holdings and do not excercise signbificant ownership authority)	Capitalization	Family firm financing (psychological strings attachment) and effect on risk perception
		Exit (split or sell) and decision about venture capital involvement
	Balancing unitary control with input from key stakeholders	Autonomy of control
		Clarity and efficiency
		Leadership concentration/authority
		Competition among offspring for the owner-manager's attention, approval and favor (contingent to FDD)
	Choosing an ownership structure for the next generation	Ownership dispersion choice and effect on institutional investors involvement/governance mechanisms + effect on progression along the ODD
Sibling Partnership Stage (two or more siblings with ownership control; effective control in the hands of one sibling generation)	Developing a process for shared control among owners	Unquestioned autonomy Close relationship parents-offspring (legacy) Legitimacy of the quasi-parental leader Procedural justice (how the first among equals leader was chosen) Lack of individual leadership (in the case of truly egalitarian arrangement)
	Defining the role of non-employed owners	Principal-principal agency conflict (employed vs non-employed owners) Obligations to non-employed siblings Governance structure (role of the board of directors) Communication issues and decentralization of responsibilities (see Ling et al. 2008 AMJ)
	Retaining capital	Easier access to debt for growth Balance of priority between dividends (driven by personal leasure or personal investments - external venturing) or reinvestment (innovation and internal corporate venturing) Mutual influence of these two characteristics (if banks see an unbalance they are less willing to extend their funds)
	Controlling the factional orientation of family branches	Conflict in the sibling group and role of in-laws Mistrust Family branches

Stage (characteristics)	*Key Challenges*	*Keywords*
Cousin Consortium Stage (many cousin shareholders; mixture of employed and non-employed owners)	Managing the complexity of the family and the shareholder group	Distance from the founder (legacy) Political issues Family identity Non-employed owners tend to focus on dividends and question their continued investment in the company Role of board of directors
	Creating a family business capital market	Unplanned demands by cousins to be cashed out Objectivity, fairness, patience, and role of outside professionals (interaction ODD - BDD) help internal market for shares that smoth the overall processes of the family business
Business Developmental Dimension (BDD)		
Start-up Business (informal organizational structure, with owner-manager at the center; one product)	Survival	Market entry Business planning Understanding technology Financial intertwining
	Rational analysis vs the dream	Ability to analyze objectively Feed their passion Lateral thinking/strategic flexibility (considering other related business ventures which could be more successful) - (this could be enhanced in later stages of the ODD) Family pressures may keep away from/encourage entrepreneurial dreams (interaction ODD - BDD) children feeling of deprivation of attention and affection
Expansion/ Formalization Business (increasingly functional structure; multiple products or business lines)	Evolving the owner-manager role and professionalizing the business	More formal hierarchy Professional hiring Authority delegation (ambivalence: facilitations but also conflicts - e.g. start-stop pattern) Product quality and availability Insufficient funds and open to external investors
	Strategic planning	Complex relationship between strategy and structure Information gathering and analysis as a way to see new opportunities
	Organizational systems and policies	Management and control systems (e.g. ERP)
	Cash management	Orientation towards external investors
Mature Business (organizational structure supporting stability; stable or declining customer base, with modest growth; divisional structure run by senior management team; wel-established organizational routines)	Strategic refocus	Systematic analysis to generate new options for new business Discussion Role of the board of directors

(*Continued*)

Stage (characteristics)	*Key Challenges*	*Keywords*
	Management and ownership commitment	Career advancement opportunities for both family and non-family managers Role of non-family managers (experience, expertise, buffer against inappropriate family influence, supervision and mentoring of the next generation of family managers) interaction with ODD/FDD Incentive tactics Recruitment tactics
	Reinvestment	Balance economics vs non-economics and family-centered vs non-family centered goals (e.g. temptation among the owners to treat the company as a static and automatic source of income)
Family Developmental Dimension (FDD)		
Young Business Family Stage (adult generation under forty; children, if any, under 18)	Creating a workable marriage enterprise	Dream ("Marriage enterprise" is the system that the couple builds to accomplish its dream of partnership and family Style: enmeshed/disengaged Distribution of power (for example, husband/father in control, shared authority, spouse co-preneurship, matriarchies, …)
	Making initial decisions about the relationship between work and family	Special pressures in business families (demands of the business, dynamics with the extended family; work-parenting dilemmas) Need of a strong sense of identity (as a separate young family)
	Working out relationships with the extended family	Balance between sides of the extended family Family involvement in the business Marriage approval by the business-owning extended family
	Raising children	Pushing back the horizon of the future Psychological legacy of the firm
Entering the Business Stage (senior generation between 35 and 55; junior generation in teens and 20s)	Managing the midlife transition	Leadership Self-Assessment (From exploration, achievement focus, commitment-making to maximum authority, senior status and control)
	Separation and individuation of the younger generation	Brothers and sisters make important decisions (childhood relationships shaped by parents, evolve into adult sibling relationships) Birth order Differentiation (the centrifugal force of sibling groups acting to pull individuals apart) Identification (the centripetal force that holds siblings together)
	Facilitating a good process for initial career decisions	Continuity for the business Ownership vs managerial involvement Ownership dispersion Parent control Dynamic of offspring involvement Parents' aspirations for their children

Stage (characteristics)	*Key Challenges*	*Keywords*
Working Together Stage (senior generation between 50 and 65; junior generation between 20 and 45)	Fostering cross-generational cooperation and communication	Communication (Emotional tone of interactions; quality in terms of honesty, openness, consistency) and other linking mechanisms In-laws (into the emotional dynamics of the business family, but often without access to information of the siblings-spouses)
	Encouraging productive conflict management	Authority Collaboration Conflict as an inevitable aspect of family life
	Managing the three-generation working together family	Positive bonds enhancing vitality Clarity of the middle generation's authority compromised
Passing the Baton Stage (senior generation age 60 and above)	Senior generation disengagement from the business	Succession/Transition Continuity/Preservation Fear (siblings' fear of differentiation; offspring's fear of being perceived as greedy; spouse's fear of loss of identity and activities; family's fear of the leader's death)
	Generational transfer of family leadership	Emotional issues Transfer of power and leadership

(Summary based on Gersick et al., 1997)

and discrete-event evolution. Nonetheless, hybrid situations between different ownership stages are not infrequent, and sometimes they even last for several years. Therefore, even if the progressive approach through sequences partially describes much of family business ownership evolution, a loose interpretation should be given to this developmental phenomenon.

The first stage (*controlling owner*) is characterized by the centrality of the founder, in terms of entrepreneurial leadership, managerial processes, and governance. The board, if included at all, has mostly a nominal value and plays no real advisory role (Miller et al., 2011). Governance processes are quite simple and based on the nature of the relationship between the owner and both family and non-family stakeholders. At this stage, firms are normally small, undercapitalized and quite extensively dependent on the owner's and his family's wealth. The embeddedness of family financial provision is quite common at this stage, and implies a number of socioemotional obligations, norms, and interdependence among family members—the phenomenon is known as 'money with psychological strings attached'—that consistently condition firms strategy, risk-taking and growth propensity (Au and Kwan, 2009). In this case, the role of the family as an investor is extremely important (Habbershon and Pistrui, 2002) and limits individual discretion in growing the business. At this stage, the principal also faces a trade-off, exacerbated by resource dependence toward stakeholders internal and external to the firm, in balancing unitary control and leadership with key stakeholders' involvement. While central authority grants clarity, efficiency and quick decisional processes (Ward, 1997), stakeholder involvement may support strategic diversity, resource access and legitimacy of the business as a shelter to the liability of newness (Stinchcombe, 1965). Finally, during the controlling owner stage, the familial nature of firm ownership unavoidably introduces a number of issues related to the persistence of the firm as a family enterprise. Owners have, in fact, to consider offspring harmony and competition (Ward, 1997), prospective ownership dilution and/or split among different ventures (Rosa et al., 2013) as well as ownership structure and governance of the family enterprise that allow a smooth control relinquishment in line with family and business needs. Needless to say, many families (e.g., culture, generational involvement) and business developmental considerations (e.g., financial prosperity, growth) moderate this process. Indeed, it is also worth considering that especially cultural aspects may affect the way family owners plan the main decisions regarding their business. While Gersick et al. (1997) basically refer to the American conjugal family, different models may instead prevail in other contexts, like the Japanese stem family with two or three generations sharing the same household and providing mutual insurance under the same roof, or the Chinese patrilinear family, with male descendants living together with wives and children until a dissolution happens when the parents pass away (Morioka 1967).

The next stage suggested by Gersick et al. (1997) refers to family businesses that have longer survived and are normally larger; the authors refer to the *sibling partnership stage*, which is characterized, among others, by the crucial challenge of defining a shared but also effective control. Whether this happens through quasi-parental leadership, 'first among equal' form or truly egalitarian arrangement (Grote, 2003), the outcome of this process is crucial to the survival of the firm; it is in fact the result of a complex fit between the overall family style and sibling history, on the one hand, and ownership structure itself, on the other. Family concerns, in particular, are dynamically dependent on the entrepreneurial legacy embedded in the (very diverse) set of relationship that next generation members have with parents (Chirico et al., 2011) and the perceived procedural justice regarding how the leadership was chosen. At this stage non-employee family owners start becoming relevant, in terms of claims and conditioning effects on the business; a sort of agency problem raises, that engenders conflicts among two types of principals (employed vs. not-employed) and affects priorities in the allocation of resources, strategic choices between harvesting and investing (such as deciding whether or not to invest in a new venture), and in turn affects the family business as a whole.

At the final stage (*cousin consortium*), the ownership structure, together with the family and the organization, has grown in complexity. Managing complexity is truly a key challenge that can threaten business survival to a large extent. As a result of this, complex coalitions, political motivation, and identity conflict are quite recurrent at this stage (Shepherd and Haynie, 2009). They affect information and knowledge sharing within the family business, thus enhancing agency and transaction costs. Risk taking and innovation, as well as new administrative routines, are seriously hampered by this complexity. Objectivity, fairness, and patience are common remedies to the inefficiency inherent to this stage. For this reason, the professionalization of both family and non-family members is often a crucial process for the survival of the organization. At this stage, the firm has to prepare for exit plans of family owners and internal financial markets for shares that help ownership transition smoothness and effectiveness (Ward, 1997). This exit/entry process can profoundly change business identity and strategies, but it can also serve as a powerful trigger to entrepreneurial and new venturing processes. Clearly this depends much on other aspects of the developmental model suggested by Gersick et al. (1997), such as the business developmental stage, discussed in the remainder of the chapter.

Business Developmental Dimension

The Business Developmental Dimension (BDD) describes the development of the family business over time. Within the Three-Dimensional Developmental Model theorized by Gersick, the BDD covers three stages—start-up, expansion and formalization, and maturity—and focuses on two key indicators of organizational change: growth, in terms of sales, volume, and number of employees, and complexity of the organizational structure. Particularly, the ability to objectively analyze the 'dreamed' project and to lateral think about it are key in the *start-up business* stage, *which* corresponds to the founding of the company and the following years when survival is in question. During this phase, a premature commitment to a personal or family dream could retain the entrepreneur from considering more successful business ventures and this tendency is likely to be enhanced in later stages of the ODD because of a lock-in in family legacy. More formal hierarchy, professional hiring, and delegation to non-family members, are among the managerial issues to face, as the business expands and organizational complexity increases (*expansion/formalization*). Authority delegation, in particular, is ambivalent because can facilitate the decision-making process, but also generate conflict (Hatak and Roessl, 2015). The expansion and formalization stage may last few years or be a long phase of gradual evolution, also depending on external conditions, competition, technology change, and product life cycle. The final stage of the BDD corresponds to a phase of stasis—*maturity*—with an organizational structure supporting stability and very modest expectations about growth. The mature business stage appears to be the most insightful in terms of interaction among the different developmental dimensions. For instance, it is in this phase that non-family managers become increasingly influential: they act as experience and expertise providers, a buffer against inappropriate family influence in management, and they can also play a role in the supervision and mentoring of the next generation of family members. This acts as a possible trigger on their propensity towards firm's professionalization and transgenerational entrepreneurship (Hall and Nordqvist, 2008). Moreover, during the expansion/formalization phase FBs leverage on growth and organizational complexity to meet ODD and FDD needs, namely an evolving ownership group and a developing family.

Overall, the literature has focused on corporate governance dynamics as they insightfully and uniquely evolve along the whole business developmental dimension. Recent contributions (e.g., Filatotchev et al., 2006) postulate a process view of corporate governance. Changes in the scope and function of governance mechanism are necessary as the company evolves from early stages towards maturity and, eventually, decline and these are associated with increasing agency costs. These dynamics also concern family firms where agency costs are confined in the early stages of the business because of altruism, but then increase as the venture becomes larger and more established (Karra et al., 2006). It is therefore particularly interesting to observe business development dynamics in family firms, as they might affect family firms' entrepreneurial attitude and behavior (Kellermanns and Eddleston, 2006; Kellermanns et al., 2008).

Family Developmental Dimension

With respect to the three circle model, the third dimension that has to be considered as relevant for a family business relates to the family and in particular to the evolving relationships among family members (Tagiuri and Davis, 1996). Labeled as business families, these groups of people involved in a business, and simultaneously linked by blood ties, have to face several issues that change over time: the family evolves and its development is not free from a number of challenges. Along the family developmental dimension, it is possible to identify four steps (or stages) that stress the most important phases of the life of the family considered as a unit (Gersick et al, 1997). Therefore, in the beginning, the *young business family* has to deal with the creation of a 'marriage enterprise' characterized by its style with respect to the role of each partner, whether they enmesh business and private life or instead try to separate the two systems as much as possible, thus caring about the balance between work and family, and responding to the pressures coming from their extended families, discussing to what extent to involve members from both parties. Later on (*entering the business*), the family has to recognize the role of the leaders who self-assess as incumbents, while teen and young adult offspring grow in the family business atmosphere. Afterward, there is a phase (*entering the business*) when all family members work together and thus communication, collaboration and, in general, linking mechanisms become extremely relevant in order to avoid disruptive conflicts. Finally—*passing the baton*—succession issues emerge; these, while in-depth investigated in management literature, are mainly neglected if the focus is specifically on family sociological issues. The amount of challenges that business families face reveals the importance of this developmental dimension, and this aspect has been investigated from multidisciplinary perspectives. For example, historians have nurtured an interest in analyzing, according to a developmental perspective, the roles and behaviors of families involved in business, in order to examine how the family changes as each individual enters into and exits from different roles over time, as well as to explain how individual and group timings synchronize (Hareven, 1978).

Thus, family dynamics may affect to some extent the behaviors of individuals working into the family business. Moreover, the managerial issues that the business family faces in each stage (see Table 14.1) may affect the decisions regarding CE of this type of firms.

Corporate Entrepreneurship and Family Business Developmental Dimensions: Evidence From the Existing Literature

Considering the paramount growth of research in the last decades about CE in family firms, this chapter aims to assess both conceptual elaboration and empirical validations of the life cycle and developmental arguments.

In this section, we systematize the debate on CE in FB and explore the role of different and coexisting life cycles on family firms' entrepreneurial behavior. The ultimate objectives are: (a) to assess the extent to which scholarly contributions in the field have accounted for the developmental dimensions of the family business system; (b) to define theoretical and empirical gaps; (c) to suggest future research directions.

In performing the review of the literature, on which the findings of this study are based, we searched for published articles in journals with a peer-reviewed evaluation process and proceedings of conferences, available on Scopus database in the time period 1990-November 2013. To ensure substantive relevance of the potential articles, we based our search algorithm on the conceptualization of corporate entrepreneurship provided in literature, and thus looked for the combination of the following research keywords in the title, the abstract, or the paper keywords: Famil* AND Ventur*; Famil* AND "Entrepreneurial orientation"; Famil* AND Renewal*; Famil* AND "Corporate entrepreneur*"; Famil* AND "Strategic entrepreneur*"; Famil* AND (startup* OR start-up* OR spin*); Famil* AND Intrapreneur*; Famil* AND Rejuvenation (Sharma and Chrisman, 1999). This process led us to select 936 papers. To guarantee the relevance of the articles we read all the abstracts checking for a discussion related to family business. Indeed, most papers discuss the role of family background or clearly revolve around phenomena of new firm creation, and were thus withdrawn from the sample. The authors independently selected the articles dealing with family business and corporate entrepreneurship. For any misalignment in abstracts decisions, the authors considered the whole manuscript for each case and discussed together its selection in the final sample. This procedure led us to finally focus on 75 articles on CE in FB.

The descriptive statistics of the final sample highlight an increase in the number of papers published on this topic. The first article looking at CE in FB appeared in 1998 in the Cambridge Journal of Economics (Antonelli and Marchionatti, 1998). From there up to 2009 a maximum of three papers per year have been published, but, starting from 2010, the yearly publications on this topic have increased exponentially reaching a maximum of 18 in 2010 (15 and 13 contributions have been published in 2011 and 2012 respectively, 8 in 2013[1]). The increasing trend suggests that this is a growing field of research deserving attention from scholars in the last years. Moreover, we found a broad number of journals hosting these publications. The journals that include the highest number of papers each are: *Family Business Review* (8 contributions), *Entrepreneurship: Theory and Practice* (8), *International Journal of Entrepreneurship and Innovation Management* (6), *Journal of Family Business Strategy* (5), *Entrepreneurship and Regional Development* (5), *Journal of Business Venturing* (4). Concerning the type of papers, 20 percent of the selected articles are conceptual; they contribute to theories development and thus provide propositions to advance theory and knowledge on family business. Among the empirical papers, 40 percent are qualitative studies, i.e. single case study or multiple case studies, while the remaining are quantitative studies.

With specific reference to the topics addressed by the 75 contributions, they focus on different aspects and typologies of CE – such as, new venture creation (see for example, Kodithuwakku and Rosa, 2002; Marchisio et al., 2010), strategic renewal (see for example, Salvato et al., 2010; Cassia et al., 2012), and EO (see for example, Naldi et al., 2007; Casillas and Moreno, 2010; Casillas, Moreno, and Barbero, 2010; Lumpkin et al., 2010). Some topics emerge as recurrent; such as the effect of succession on CE dynamics (see for example, Casillas and Moreno, 2010; Pistrui et al., 2010; Welsh et al., 2013), internationalization as a specific type of CE domain (see for example, Abdellatif et al., 2010; Yang, 2012; Piva et al., 2013), and the specific CE patterns in high-technology industries (see for example, Block, 2012; Block et al., 2013; Piva et al., 2013). Finally, the most recurrent theoretical approaches used to investigate CE in FB are agency and stewardship theories (see for example, Zahra, 2005; Habbershon, 2006; Wong, Chang, and Chen, 2010; Eddleston et al., 2012; Welsh et al., 2013), resource-based view (see for example, Kickul et al., 2010; Chirico et al., 2012) and socio-emotional wealth perspective (see for example, Gómez-Mejía et al., 2011; Block et al., 2013).

Looking specifically at the dynamic nature of CE in FB, the 75 contributions reveal that, despite the claim that temporal dynamics represent an important topic to be addressed (Hoy, 2006; Lumpkin et al., 2011), life cycles or the broader concept of developmental dimensions (Gersick et al., 1997), are very seldom referred to (Table 14.2 lists the contributions among the initial sample of 75 papers which, at least to some extent, take into account temporal dynamics).

With particular reference to the ownership and family developmental dimensions, some empirical and conceptual indeterminacies arise concerning the evolution of the FB entrepreneurial behavior. A number of contributions suggest a growing pattern of CE along the ownership and family developmental dimensions. This is interpreted with arguments such as: growth of the family resulting in the need to grow the number of entrepreneurial activities (Marchisio et al., 2010; Webb et al., 2010; Gómez-Mejía et al., 2011), increasing long-term orientation (Lumpkin et al., 2010), higher availability of resources, such as organizational social capital, managerial capabilities, internal autonomy and successors' discretion (Mitchell et al., 2009; Wang and Poutziouris, 2010; Zahra, 2010; Jones et al., 2013), and greater heterogeneity of the decision-making group (Webb et al., 2010). In one of the case studies analyzed by Marchisio and colleagues (2010), for instance, the growth of the family boosts corporate venturing activities as a way to avoid conflicts: "while having several family members working together in the core business could have engendered conflict, external venturing offered opportunities to separate conflicting individuals and to involve more family members who otherwise would not willingly work together" (p. 367). Similarly, Webb and colleagues (2010) propose that family's growth may enhance the need for exploration activities, even in stable markets: "if a firm is divided among the founder's multiple children and the children desire stable or increasing cash flows from the business, the family firm's performance must necessarily multiplicatively grow. Exploitation within a stable market may be insufficient to meet the growing family's heightened goals" (p. 74). Moreover, according to the authors, CE initiatives increase along the ODD because the group of decision makers within a family-controlled firm becomes heterogeneous over time and this heterogeneity replaces affective conflicts with cognitive ones. The latter, in turn, are likely to keep the group from settling on suboptimal decisions.

Table 14.2 Findings from the Literature Review: CE Along Family Business Developmental Dynamics

Year	*Journal*	*Authors*	*Title*	*Type of CE*	*Empirical/ Conceptual*	*Quantitative/ Quallitative*	*Findings (FDD/ODD/ BDD)*	*CE Along the DD*
2002	Journal of Business Venturing	Kodithuwakku, S.S., Rosa, P.	The entrepreneurial process and economic success in a constrained environment	Venturing activities	Empirical	Qualitative	Family firms in the controlling owner and start-up business phases generating other venture activities (core business related). RBV justification ***(ODD*BDD)***	
2005	Family Business Review	Zahra, S.A.	Entrepreneurial risk taking in family firms	EO (risk-taking)	Empirical	Quantitative	***Multigenerational involvement*** has a positive influence on risk-taking	
2006	Entrepreneurship: Theory and Practice	Hoy, F.	The complicating factor of life cycles in corporate venturing	Venturing activities	Conceptual		Life cycles are moderating variables, complicating the ability of firm leaders to be entrepreneurial ***(ODD*BDD*FDD)***	
2006	Entrepreneurship: Theory and Practice	Kellermanns, F.W., Eddleston, K.A.	Corporate entrepreneurship in family firms: A family perspective	EO	Empirical	Quantitative	***Multigenerational involvement*** has a positive influence on EO	
2008	Family Business Review	Kellermanns, F.W., Eddleston, K.A., Barnett, T., Pearson, A.	An exploratory study of family member characteristics and involvement: Effects on entrepreneurial behavior in the family firm	Venturing activities	Empirical	Quantitative	***Multigenerational involvement*** has a positive influence on venturing activities	

2009	Entrepreneurship: Theory and Practice	Mitchell, J.R., Hart, T.A., Valcea, S., Townsend, D.M.	Becoming the boss: Discretion and postsuccession success in family firms	Strategic renewal	Conceptual		CE increases along the ***ODD*** because of successors' discretion	Increase
2010	Entrepreneurship and Regional Development	Salvato, C., Chirico, F., Sharma, P.	A farewell to the business: Championing exit and continuity in entrepreneurial family firms	Exit	Empirical	Qualitative	In a declining and sibling partnership stages exit could be discarded by the family firm because of a lock-in in family legacy ***(ODD*BDD)***	
2010	Entrepreneurship and Regional Development	Marchisio, G., Mazzola, P., Sciascia, S., Miles, M., Astrachan, J.	Corporate venturing in family business: The effects on the family and its members	Venturing activities	Empirical	Qualitative	CV as a way to avoid conflicts between family members in later-generations ***(ODD)***. CV increases because of family growth	Increase
2010	Journal of Family Business Strategy	Webb, J.W., Ketchen, D.J., Ireland, R.D.	Strategic entrepreneurship within family-controlled firms: Opportunities and challenges	Strategic entre-preneurship (Innovation through exploration)	Conceptual		Family's growth ***(ODD)*** enhance the need for exploration activities. Strategic entrepreneurship increases along the ***ODD*** because of group heterogeneity leading to cognitive conflicts	Increase
2010	Entrepreneurship and Regional Development	Lumpkin, G.T., Brigham, K.H., Moss, T.W.	Long-term orientation: Implications for the entrepreneurial orientation and performance of family businesses	EO	Conceptual		EO increases along the ***ODD*** because of long-term orientation	Increase

(*Continued*)

Year	*Journal*	*Authors*	*Title*	*Type of CE*	*Empirical/ Conceptual*	*Quantitative/ Quallitative*	*Findings (FDD/ODD/ BDD)*	*CE Along the DD*
2010	International Journal of Entrepreneurial Behaviour and Research	Wang, Y., Poutziouris, P.	Entrepreneurial risk taking: Empirical evidence from UK family firms	EO (risk taking)	Empirical	Quantitative	Risk taking increases along the ***ODD*** because of resources availability	Increase
2010	Journal of Management Studies	Zahra, S.A.	Harvesting family firms' organizational social capital: A relational perspective	Venturing activities	Empirical	Quantitative	Equity investment in new venutres increases along the ***ODD*** and the ***BDD*** because of organizational social capital availability	Increase
2010	International Small Business Journal	Chirico, F., Nordqvist, M.	Dynamic capabilities and trans-generational value creation in family firms: The role of organizational culture	EO, Innovation, Strategic Renewal	Empirical	Qualitative	CE decreases along the ***ODD*** because of conflicts among family members	Decrease
2010	International Journal of Entrepreneurship and Innovation Management	Pistrui, D., Murphy, P.J., Deprez-Sims, A.-S.	The transgenerational family effect on new venture growth strategy	Venturing activities	Empirical	Quantitative	EO decreases along the ***ODD*** as it is replaced by family orientation	Decrease

2010	Corporate Governance	Wong, Y.-J., Chang, S.-C., Chen, L.-Y.	Does a family-controlled firm perform better in corporate venturing?	Venturing activities (joint ventures)	Empirical	Quantitative	Better CE initiatives (JVs) along the ***BDD*** because of outsiders and their managerial skills	Increase
2011	Academy of Management Annals	Gómez-Mejía, L.R., Cruz, C., Berrone, P., de Castro, J.	The Bind that ties: Socioemotional wealth preservation in family firms	CE	Conceptual		Maturity and decline stages ***(BDD)*** drive R&D investments and technological diversification	Increase
2011	Strategic Entrepreneurship Journal	Lumpkin, G.T., Steier, L., Wright, M.	Strategic entrepreneurship in family business	Strategic CE initiatives	Conceptual		CE decreases along the ***ODD*** because of conflicts among family members	Decrease
2011	International Journal of Entrepreneurship and Innovation Management	Moog, P., Mirabella, D., Schlepphorst, S.	Owner orientations and strategies and their impact on family business	EO	Empirical	Qualitative	EO decreases along the ***ODD*** as it is replaced by family orientation	Decrease
2011	Family Business Review	Sardeshmukh, S. R., Corbett, A. C.	The duality of internal and external development of successors: Opportunity recognition in family firms	Venturing activities	Empirical	Quantitative	Growth stage ***(BDD)*** entails greater opportunities and hence an increase in CE initiatives	Increase
2012	Business History	Yacob, S.	Trans-generational renewal as managerial succession: The Behn Meyer story (1840–2000)	Strategic renewal	Empirical	Qualitative	Exit as a way to avoid decline by a family firm in the cousin consortium stage ***(ODD*BDD)***	

(*Continued*)

Year	*Journal*	*Authors*	*Title*	*Type of CE*	*Empirical/ Conceptual*	*Quantitative/ Quallitative*	*Findings (FDD/ODD/ BDD)*	*CE Along the DD*
2012	Journal of Business Venturing	Parker, S.C., Van Praag, C.M.	The entrepreneur's mode of entry: Business takeover or new venture start?	Business take over or new venture start	Empirical	Quantitative	When there are many siblings it is less likely that an acquisition takes place, because there is great competition among offspring to be the successor ***(ODD)***	Decrease
2012	Journal of Business Venturing	Block, J.H.	R&D investments in family and founder firms: An agency perspective	EO (R&D intensity)	Empirical	Quantitative	Over time, family firms may become hostile to change because of family altruism ***(ODD)***	Decrease
2012	International Journal of Entrepreneurial Behaviour and Research	Cassia, L. A., De Massis, A., Pizzurno, E.	Strategic innovation and new product development in family firms: An empirically grounded theoretical framework	Innovation and new product development	Empirical	Qualitative	Innovation decreases along the ***ODD*** because of risk aversion	Decrease
2012	Small Business Economics	Cruz, C., Nordqvist, M.	Entrepreneurial orientation in family firms: A generational perspective	EO	Empirical	Quantitative	EO increases along the ***BDD*** because of the role of non-family managers	Increase

2012	Small Business Economics	Zellweger, T., Sieger, P.	Entrepreneurial orientation in long-lived family firms	EO	Empirical	Qualitative	Each of the five components of EO has a different path along the ***ODD***	Increase / Decrease
2013	Business History	Jones, O., Ghobadian, A., O'Regan, N., Antcliff, V.	Dynamic capabilities in a sixth-generation family firm: Entrepreneurship and the Bibby Line	Strategic renewal	Empirical	Qualitative	CE initiatives increase along the ***ODD*** because of managerial capabilities and skills. Decline stage ***(BDD)*** drives CE initiatives	Increase
2013	Journal of Family Business Strategy	Welsh, D.H.B., Memili, E., Rosplock, K., Roure, J., Segurado, J.L.	Perceptions of entrepreneurship across generations in family offices: A stewardship theory perspective	CE perceptions and actions	Empirical	Qualitative	CE perceptions and actions decrease along the ***ODD*** because of legacy	Decrease
2013	Asia Pacific Journal of Management	Au, K., Chiang, F.F.T., Birtch, T.A., Ding, Z.	Incubating the next generation to venture: The case of a family business in Hong Kong	Joint ventures and spin-offs creation	Empirical	Qualitative	***Multigenerational involvement*** has a positive influence on entrepreneurial initiatives. CE initiatives increase along the ***BDD*** because of professionalization.	Increase

Other authors advocate a decreasing pattern of CE along the ownership and family developmental dimensions; this is explained by increasing family concerns and conflicts among the family members (Chirico and Nordqvist, 2010; Lumpkin et al., 2011; Parker and Van Praag, 2012), family altruism (Block, 2012), family orientation (Pistrui et al., 2010; Moog et al., 2011), legacy (Welsh et al., 2013) and risk aversion (Cassia et al., 2012). For example, Parker and Van Praag (2012) argue that, when there are many siblings, it is less likely that an acquisition takes place, because there is great competition among offspring to be the successor. Looking at entrepreneurial perceptions and actions along the ODD, Welsh and colleagues (2013) find that later generations perceive themselves to be less entrepreneurial than the first one. This is due to a lock-in in family legacy, namely the pressure not to lose the family capital created by previous generations, and may impact the ultimate sustainability of the family business if a wealth preservation, rather than growth, mindset confines or even prohibits entrepreneurship.

Some papers refer to the effect of multigenerational involvement, which can occur at different stages of the ownership developmental dimension's stage. The joint involvement of two or more generations increases proclivity for CE and EO (Zahra, 2005; Kellermanns and Eddleston, 2006; Kellermanns et al., 2008; Au et al., 2013). According to these authors, first generation family businesses are often started upon on innovative ideas and mindsets, but, after a few years, they often lose their entrepreneurial spirit and tend to maintain the status quo. When multiple generations are involved, instead, the organization benefits from a variety of inputs and individual perspectives, valuable assets for developing entrepreneurial ideas.

In our sample of papers, there is a consensus regarding a growing engagement in CE along the family firm's BDD. This is enabled by factors such as an increasing access of firms to a stock of idle resources (Kellermanns et al., 2008) and organizational social capital (Zahra, 2010). These resources, indeed, are leveraged to grow and renew the business thanks to values, norms and attitudes which characterize membership in the business family and which support entrepreneurial behavior (Nordqvist and Melin, 2010). Moreover, CE initiatives are fostered by managerial capabilities, professionalization and outsiders' involvement in family firms' board of directors (Wong et al., 2010; Au et al., 2013), as growing family firms become aware that it is necessary to involve non-family members. With respect to specific life cycle stages, evidence suggests that the growth stage entails greater opportunities and hence an increase of CE initiatives (Sardeshmukh and Corbett, 2011). As the firm matures and grows, it will invest in related businesses, with the family members filling key positions (Gómez-Mejía et al., 2011). The decline stage also offers some triggers towards CE initiatives as sources of renewal (Jones et al., 2013), in particular, R&D investments and technological diversification (Gómez-Mejía et al., 2011).

In addition to recognizing the current stage along one specific developmental dimension at a time, the simultaneous evolution of different developmental dimensions (ownership, family, business, but also industry, product, technology and market) illustrates the complex synchronization of life cycles that – distinctively for family firms – could help explain firm's engagement in CE (Hoy, 2006). However, as it clearly emerges from Table 14.2, the joint effect of the developmental dimensions is highly overlooked. The joint effect of the ownership and business developmental dimensions has been captured by three in-depth case studies. In the first, Kodithuwakku and Rosa (2002) report the case of family firms in the controlling owner (ODD) and start-up business (BDD) phases generating other venture activities related to the core business of the mother company. The paper builds upon the resource-based view and, according to the authors, the opportunities to pursue CE initiatives increase with the amount of resources available. Both the other two papers that consider the joint effect of the ownership and business developmental dimensions deal with family firms' exit strategies. Particularly, Salvato, Chirico and Sharma (2010) observe a family firm in the sibling partnership (ODD) and declining (BDD) stages, and show how exit strategies, although viable and attractive, have been discarded by the firm because of a lock-in in family legacy. Exit, as a specific type of entrepreneurial initiative, instead, is pursued to avoid decline (BDD) by a family firm in the cousin consortium stage (ODD) in the case analyzed by Yacob (2012). Taken together, the last two papers seem to suggest that family legacy is higher in the second phase of the ODD than in the third one, BDD being equal.

With specific reference to EO, Cruz and Nordqvist (2012) adopt a generational perspective to explore its determinants in family firms. According to the authors, the antecedents of EO, both internal (non-family managers and non-family investors) and external (environmental dynamism and technological opportunities), are influenced by the ODD. Particularly, environmental factors are more important to predict EO in second-generation family firms compared to first- and third-and-beyond-generation family firms. Access to non-family resources, instead, drives EO to a greater extent in third-and-beyond-generation family firms. These findings can also be interpreted looking at the BDD. In more mature and larger family firms, non-family managers may have more discretion to drive entrepreneurship, and bring new perspectives, ideas, and managerial capabilities to revitalize the organization. EO thus increases along the BDD. A dynamic view of EO in long-lived family firms is provided by Zellweger and Sieger (2012) who highlight the need to disentangle the five components of the construct – autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness. According to the three case studies analyzed, the authors propose the following link between EO components and the ODD: internal autonomy increases as later family generations join the firm; generational changes positively impact both internal and external innovativeness; long-lived family firms display higher levels of ownership risk and lower levels of both performance hazard and control risk; proactiveness fluctuates over time, with periods of low levels of proactiveness combined with proactive moves (for example after the transition from the second to the third generation); finally, competitive aggressiveness decreases over time due to reputation concerns of the controlling family.

In summary, the fragmentary results emerged by the literature presented above indicate the need to develop a deeper understanding of the dynamic nature of CE in FB. Particularly, the evidence suggests the need for a more fine-grained reasoning about the time dimension of CE in FB, as well as larger and more rigorous effort to extend and test the developmental dimensions' approach. In the following section, we introduce some future research directions based on a developmental perspective.

Discussion and Future Research Directions

Our review and conceptual model of CE in family businesses suggest that the developmental perspective may be useful in explaining several important questions in entrepreneurial family firms. The following figure shows an overarching framework of what is discussed in this section.

First, researchers may use the developmental approach to investigate the relationship between *why* and *when* family businesses engage in CE. As family businesses grow and mature, they undergo a variety of transitions that may affect their willingness to engage in CE over time. For example, as management becomes increasingly professionalized (BDD), do family businesses exhibit a greater tendency or aptitude towards behaving entrepreneurially as a way to retain talented managers? Additionally, does the growth in family size that accompanies second and third generational involvement in the business (FDD) and the likely related phenomenon of ownership dispersion (ODD) create incentives to subsidize the increasingly larger-sized family and ownership groups? Are new business projects or new products driven by these goals? We believe that recognizing these distinctive motivations, related to specific developmental dimensions and

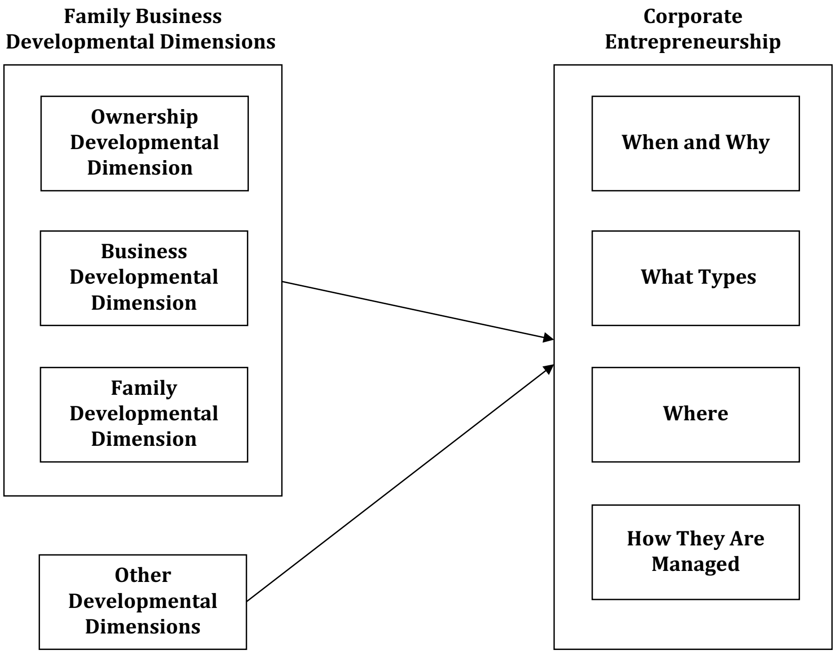

Figure 14.1 Overarching Framework of Family Business Developmental Dimensions and Corporate Entrepreneurship

firm goals, may further the understanding of family firms' entrepreneurial behavior and help reconcile apparently contradicting findings. This may also apply to non-family firms facing ownership transitions, considering for example the pattern from private to public ownership, or the ownership structure before and after an M&A. Moreover, progressing along the ODD, given that the role of non-employed family owners becomes increasingly relevant, is this likely to influence the entrepreneurial behavior of the family, for example the choice between harvesting and investing in a new venture? This kind of questions could particularly benefit from a perspective that takes into account the *joint* effect of different and coexisting developmental dimensions. For instance, with reference to the previous mentioned examples, when a family firm evolves along the BDD—namely, increasingly involves non-family managers, becomes more professionalized and hence interested to undertake entrepreneurial initiatives—but still is in the first stages of ODD and FDD, it will not perceive the growth pressure coming from an evolving ownership group and a developing family: will this affect proclivity to engage in CE? Which developmental dimension will prevail, and why? All these questions may further the debate on the long-term orientation of family firms; these are often referred to as culturally disposed toward "long-term value creating activities that have a low probability of success, but are important for new business creation and revenue generation" (Zahra, Hayton and Salvato, 2004: 367). Considering that in a family business many dimensions are extremely relevant and their development can strongly affect the corporate entrepreneurial behavior, it cannot be overlooked whether these dimensions develop in a synchronic way or not and according to which pattern. Indeed, further research may investigate the role of time on entrepreneurial behavior, in terms for example of rhythms, order and duration of activities aimed at new venture creation (Sharma, Salvato, and Reay, 2014: 14), but also looking at the individual development that interacts with the familial one into a family business. As literature has shown that aging leaders show a decreasing level of engagement in the firm's activities unless there is a high degree of legacy (Zacher, Rosing, and Frese, 2011), an intriguing research question may revolve around the role of entrepreneurial legacy in family firms (Jaskiewicz, Combs, and Rau, 2015), in fostering corporate entrepreneurship over time.

Second, the developmental perspective may also provide a useful paradigm for researchers interested in *how* CE is manifested by family firms as they move through the ownership, business and family developmental dimensions. This line of investigation may consider two different aspects of CE: the form of the entrepreneurial initiative, and the link between the new business domain and the existing businesses of the parenting firm. The first aspect involves the examination of *what types* of initiatives are pursued by family businesses. For example, at different stages of the business developmental dimension, do family firms have a predisposition for external venturing, internal venturing, strategic rejuvenation, business domain redefinition, etc. (Sharma and Chrisman, 1999)? It may be that early-stage family firms engage in CE by spawning their own new businesses from within the existing structure because they lack the resources, i.e., financial capital, to fund or acquire external new business opportunities. But, as they mature, these same family businesses may have both the management and the financial capital to initiate a portfolio of investments in external ventures, i.e., a corporate venture capital approach to CE. The second aspect of this approach to future research is to explore *where* the family business does venture, in terms of which new business domains are explored. Initially, a family firm may be more likely to explore new business domains that are at least in some way related to its current business(es). In this way, a family firm early in its business developmental dimension can leverage the knowledge that it possesses in business related to its core, rather than occupying much of its time acquiring new knowledge. Later, when the firm is more mature and professionalized, perhaps it more likely ventures into business domains that are truly novel and unrelated to its current business(es). This trend clearly depends much on other aspects of the developmental model, such as legacy. As highlighted discussing the papers by Salvato et al. (2010) and Yacob (2012), the pressure not to lose the family capital created by previous generations is probably higher in the second phase of the ODD than in the third one, BDD being equal; hence, cousin consortium stage family firms will more likely direct their entrepreneurial effort towards unrelated businesses. Accordingly, the joint effect of the three developmental dimensions on the *how* of CE in family firms has to be taken into account. Useful paradigms that might be used to explore these research questions include knowledge stock and flows (Dierickx and Cool, 1989) and exploration/exploitation (Schildt et al., 2005).

Third, scholars looking at CE in family businesses may use the developmental perspective to understand *how CE initiatives are managed* through different stages. For example, the literature on corporate venturing has long explored how ventures are structured and the degree of autonomy allowed for those ventures (e.g., Simon, Houghton, and Gurney, 1999; Burgelman and Valikangas, 2005; Garrett and Covin, 2014). It may be that early life cycle stage family firms do structure and manage their entrepreneurial initiatives in such a way that those initiatives are "in the spotlight" and/or are carefully controlled by the parenting firm. However, as family firms become more professional and mature (BDD), as well as distant from the founder stage (ODD), initiatives may be structured more independently and managed with greater autonomy. Implications may exist for prescribing which management techniques and structures may be optimal for different types of ventures at different stages of the three developmental dimensions and at the intersection among them.

Future research also should consider testing similar conceptual models to the one we have presented via empirical analysis. Considering the sensitivity of this kind of data—especially the ones related to the family and ownership developmental dimensions—case study and other empirical strategies (e.g., ethnography) are considered as a particularly appropriate research methodology. While difficult to access, such data may provide a wealth of information on the corporate venturing process, especially as it is presented within family firms. Understanding the dynamic nature of entrepreneurial behavior in family firms is a timely topic that merits further consideration.

These intuitions open new avenues for future research that can benefit from a further discussion about the theoretical perspectives useful to discuss the temporal evolution of CE in family firms. The three-circle model (Tagiuri and Davis, 1996) has driven family business literature to focus on management theories that could explain the behavior of this form of business in light of the intersection of family, ownership and business systems. Indeed, agency and behavioral agency, stewardship, a resource-based view of the firm and dynamic capabilities, as well as organizational identity have been adopted both in family business research (e.g., Chrisman et al., 2010), and to investigate CE-related issues (e.g., McKelvie et al., 2014). Thus, also when time enters into the debate, family firms' behavior may be described in light of these different theoretical assumptions. Further research can focus on the contraposition of agency theory and stewardship theory (e.g., Le Breton-Miller, Miller, and Lester, 2011), looking at how managerial autonomy evolves as the family firm changes along the three developmental dimensions. Indeed, if on the one hand managerial autonomy is necessary to empower especially the middle management in order to identify and exploit new business opportunities, on the other hand too much managerial autonomy can result in opportunistic behavior (Shimizu, 2012). Analyzing this trade-off along, and at the intersection of family, ownership, and business developmental dimensions, would be informative about family firms' behavior.

As regards resources, it would be valuable to investigate how and when family firms rely on different forms of capital, as for example social instead of human or financial capital to develop their entrepreneurial initiatives, or leverage on their dynamic capabilities. Furthermore, when these family firms leverage on the available resources to create alliances and networks, and how this in turn, affects CE, deserves further attention. Looking at behavioral agency model and the overarching concept of socioemotional wealth, it could be interesting to explore when and how family firms change their mix of economic and non-economic goals along the three developmental dimensions.

Moreover, as we look at the effect of temporal dynamics, contingency theory and institutional theory offer alternative perspectives to investigate the phenomenon. Thus, new research avenues can arise when looking at CE at the interaction of the three developmental dimensions with other elements, external to the family business development, which evolve over time as well. Considering the type of industry and its life-cycle, or whether the firm is working in a high-tech sector, may have an impact on the entrepreneurial opportunities and choices made. Product life cycle and market life cycle may also affect the firm's behavior and entrepreneurial activities since their development may destroy and create opportunities for firms (Hoy, 2006). For example, industry characteristics and dynamics represent one of the most compelling elements that firms have to consider in their competitive environment. Industry characteristics, such as the relative importance of innovation and technological change as well as the extent to which capital intensity and sunk costs matter, have been studied in relation to firm's survival, and change over time, especially in the short run (Audretsch et al., 1997; Strotman, 2007).

In addition, other contextual factors at the country level, like taking into account whether the firm operates in an emerging or developed economy, can affect the entrepreneurial firm behavior along and at the intersection of the three developmental dimensions. In addition, the institutional context, norms and pressures have an impact on family firms and their entrepreneurial activities over time and this phenomenon can be of interest to examine.

Conclusion

This chapter contributes to the literature in several ways. We add to entrepreneurship research by showing the conditions under which previously entrepreneurial people or organizations change and stop being entrepreneurial (Miller and Friesen, 1984) as well as non-entrepreneurial organizations become entrepreneurial and then sustain such effort (Kuratko, 2010). In addition, given the ubiquity of family firms and their dominance of entrepreneurial firms, we contribute by indicating family business systems as a potential internal trigger of CE processes, a dimension that has been mostly overlooked by extant research (Kuratko et al., 2010; Phan et al., 2009). We also add to family business literature, by shedding light on how development and change over time can foster or inhibit longevity and sustainability of the firm through CE activities and strategies. Finally, we speak to strategic management scholars, by looking at individual and organizational antecedents of enduring entrepreneurship phenomena, as opposed to infrequent or non-recurring entrepreneurial strategies and organizational practices.

Our work also informs practitioners, as it sheds light on phenomena drawn from real-world business situations. Managerial challenges related to growing the speed of innovation and entrepreneurship processes interact, and often conflict, with multiple life cycle logics and timing (especially in technology-intensive sectors). Against the common wisdom that family firms are conservative, risk averse, and reluctant to innovate (at least beyond the founder's generation), we reinforce the importance of non-conventional views of family firms who indeed can innovate and rejuvenate, even in later stages, thus often representing "the oxygen that feeds the fire of entrepreneurship" (Rogoff and Heck, 2003). Finally, our work gathers new perspectives on the complexity (and evolutionary change) of families as social institutions, representing a great opportunity for entrepreneurship and opportunity exploitation (Aldrich and Cliff, 2003).

Based on our reading of the literature, we believe that there are still opportunities to introduce new perspectives and research efforts and hence advance the field much further than we have heretofore seen. The directions suggested above represent a starting point, offering a retrospective view and pointing the way to new avenues of research.

Note

1 The data obtained for 2013 are partial, since we conducted the search on November 2013.

References

Abdellatif, M., Amann, B., and Jaussaud, J. (2010). Family versus nonfamily business: A comparison of international strategies. *Journal of Family Business Strategy*, *1*(2), 108–116.

Aldrich, H. E., and Cliff, J. E. (2003). The pervasive effects of family on entrepreneurship: Toward a family embeddedness perspective. *Journal of Business Venturing*, *18*(5), 573–596.

Anderson, R. C., and Reeb, D. M. (2003). Founding-family ownership and firm performance: Evidence from the S&P 500. *Journal of Finance*, 1301–1328.

Antonelli, C., and Marchionatti, R. (1998). Technological and organisational change in a process of industrial rejuvenation: The case of the Italian cotton textile industry. *Cambridge Journal of Economics*, *22*(1), 1–18.

Au, K., Chiang, F. F., Birtch, T. A., and Ding, Z. (2013). Incubating the next generation to venture: The case of a family business in Hong Kong. *Asia Pacific Journal of Management*, *30*(3), 749–767.

Au, K., and Kwan, H. K. (2009). Start-up capital and Chinese entrepreneurs: The role of family. *Entrepreneurship Theory and Practice*, *33*(4), 889–908.

Audretsch, D. B., Houweling, P., and Thurik, A. R. (1997). *New firm survival: Industry versus firm effects* (No. 97–063/3). Tinbergen Institute Discussion Paper.

Barringer, B. R., and Bluedorn, A. C. (1999). The relationship between corporate entrepreneurship and strategic management. *Strategic Management Journal*, *20*(5), 421–444.

Biggadike, R. (1979). The risky business of diversification. *Harvard Business Review*, *57*(3), 103–111.

Block, J., Miller, D., Jaskiewicz, P., and Spiegel, F. (2013). Economic and technological importance of innovations in large family and founder firms an analysis of patent data. *Family Business Review*, *26*(2), 180–199.

Block, J. H. (2012). R&D investments in family and founder firms: An agency perspective. *Journal of Business Venturing*, *27*(2), 248–265.

Burgelman, R. A. (1983). A process model of internal corporate venturing in the diversified major firm. *Administrative Science Quarterly*, *28*(2), 223–244.

Burgelman, R. A. (1984). Designs for corporate entrepreneurship in established firms. *California Management Review*, *26*(3), 154–166.

Burgelman, R., and Valikangas, L. (2005). Venturing cycles. *MIT Sloan Management Review*, *46*(4), 26–34.

Busenitz, L. W., and Barney, J. B. (1997). Differences between entrepreneurs and managers in large organizations: Biases and heuristics in strategic decision-making. *Journal of Business Venturing*, *12*(1), 9–30.

Carland, J. W., Hoy, F., Boulton, W. R., and Carland, J. A. C. (1984). Differentiating entrepreneurs from small business owners: A conceptualization. *Academy of Management Review*, *9*(2), 354–359.

Carney, M. (2005). Corporate governance and competitive advantage in family-controlled firms. *Entrepreneurship Theory and Practice*, *29*(3), 249–265.

Casillas, J. C., and Moreno, A. M. (2010). The relationship between entrepreneurial orientation and growth: The moderating role of family involvement. *Entrepreneurship and Regional Development*, *22*(3–4), 265–291.

Casillas, J. C., Moreno, A. M., and Barbero, J. L. (2010). A configurational approach of the relationship between entrepreneurial orientation and growth of family firms. *Family Business Review*, *23*(1), 27–44.

Cassia, L., De Massis, A., and Pizzurno, E. (2012). Strategic innovation and new product development in family firms: An empirically grounded theoretical framework. International *Journal of Entrepreneurial Behavior & Research*, *18*(2), 198–232.

Chirico, F., and Nordqvist, M. (2010). Dynamic capabilities and trans-generational value creation in family firms: The role of organizational culture. *International Small Business Journal*, *28*(5), 487–504.

Chirico, F., Nordqvist, M., Colombo, G., and Mollona, E. (2012). Simulating Dynamic Capabilities and Value Creation in Family Firms: Is Paternalism an "Asset" or a "Liability"? *Family Business Review*, *25*(3), 318–338.

Chirico, F., Sirmon, D. G., Sciascia, S., and Mazzola, P. (2011). Resource orchestration in family firms: investigating how entrepreneurial orientation, generational involvement, and participative strategy affect performance. *Strategic Entrepreneurship Journal*, *5*(4), 307–326.

Chrisman, J. J., Chua, J. H., and Sharma, P. (2005). Trends and directions in the development of a strategic management theory of the family firm. *Entrepreneurship Theory and Practice*, *29*(5), 555–576.

Chrisman, J. J., Kellermanns, F. W., Chan, K. C., and Liano, K. (2010). Intellectual foundations of current research in family business: An identification and review of 25 influential articles. *Family Business Review*, *23*(1), 9–26.

Chua, J. H., Chrisman, J. J., and Sharma, P. (1999). Defining the family business by behavior. *Entrepreneurship Theory and Practice*, *23*(4), 19–39.

Covin, J. G., and Lumpkin, G. T. (2011). Entrepreneurial orientation theory and research: Reflections on a needed construct. *Entrepreneurship Theory and Practice*, *35*(5), 855–872.

Covin, J. G., and Miles, M. P. (1999). Corporate entrepreneurship and the pursuit of competitive advantage. *Entrepreneurship Theory and Practice*, *23*(3), 47–63.

Covin, J. G., and Slevin, D. P. (1990). New venture strategic posture, structure, and performance: An industry life cycle analysis. *Journal of Business Venturing*, *5*(2), 123–135.

Cruz, C., and Nordqvist, M. (2012). Entrepreneurial orientation in family firms: A generational perspective. *Small Business Economics*, *38*(1), 33–49.

De Massis, A., Sharma, P., Chua, J. H., and Chrisman, J. J. (2012). *Family business studies: An annotated bibliography*. Edward Elgar Publishing.

Dess, G. G., and Lumpkin, G. T. (2005). The role of entrepreneurial orientation in stimulating effective corporate entrepreneurship. *Academy of Management Executive*, *19*(1), 147–156.

Dierickx, I., and Cool, K. (1989). Asset stock accumulation and sustainability of competitive advantage. *Management Science*, *35*(12), 1504–1511.

Eckhardt, J. T., and Shane, S. A. (2003). Opportunities and entrepreneurship. *Journal of Management*, *29*(3), 333–349.

Eddleston, K. A., Kellermanns, F. W., and Zellweger, T. M. (2012). Exploring the entrepreneurial behavior of family firms: does the stewardship perspective explain differences? *Entrepreneurship Theory and Practice*, *36*(2), 347–367.

Filatotchev, I., Toms, S., and Wright, M. (2006). The firm's strategic dynamics and corporate governance life-cycle. *International Journal of Managerial Finance*, *2*(4), 256–279.
Gedajlovic, E., and Carney, M. (2010). Markets, hierarchies, and families: Toward a transaction cost theory of the family firm. *Entrepreneurship Theory and Practice*, *34*(6), 1145–1172.
Gedajlovic, E., Lubatkin, M. H., and Schulze, W. S. (2004). Crossing the threshold from founder management to professional management: A governance perspective. *Journal of Management Studies*, *41*(5), 899–912.
George, B. A., and Marino, L. (2011). The epistemology of entrepreneurial orientation: Conceptual formation, modeling, and operationalization. *Entrepreneurship Theory and Practice*, *35*(5), 989–1024.
Gersick, K.E., Davis, J.A., Hampton, M.M., and Lansberg, I. (1997). *Generation to generation: Life cycles of the family business*. Boston: Harvard Business School Press.
Gómez-Mejía, L. R., Cruz, C., Berrone, P., and De Castro, J. (2011). The bind that ties: Socioemotional wealth preservation in family firms. *Academy of Management Annals*, *5*(1), 653–707.
Green, K. M., Covin, J. G., and Slevin, D. P. (2008). Exploring the relationship between strategic reactiveness and entrepreneurial orientation: The role of structure–style fit. *Journal of Business Venturing*, *23*(3), 356–383.
Greiner, L. E. (1997). Evolution and revolution as organizations grow: A company's past has clues for management that are critical to future success. *Family Business Review*, *10*(4), 397–409.
Grote, J. (2003). Conflicting generations: A new theory of family business rivalry. *Family Business Review*, *16*(2), 113–124.
Guth, W. D., and Ginsberg, A. (1990). Guest editors' introduction: Corporate entrepreneurship. *Strategic Management Journal*, *11*(4), 5–15.
Habbershon, T. G. (2006). Commentary: A framework for managing the familiness and agency advantages in family firms. *Entrepreneurship Theory and Practice*, *30*(6), 879–886.
Habbershon, T. G., and Pistrui, J. (2002). Enterprising families domain: Family-influenced ownership groups in pursuit of transgenerational wealth. *Family Business Review*, *15*(3), 223–237.
Habbershon, T. G., and Williams, M. L. (1999). A resource-based framework for assessing the strategic advantages of family firms. *Family Business Review*, *12*(1), 1–25.
Hall, A., Melin, L., and Nordqvist, M. (2001). Entrepreneurship as radical change in the family business: Exploring the role of cultural patterns. *Family Business Review*, *14*(3), 193–208.
Hall, A., and Nordqvist, M. (2008). Professional management in extended family business: Toward an extended understanding. *Family Business Review*, *21*(1), 51–69.
Hareven, T. K. (1978). Cycles, courses and cohorts: Reflections on theoretical and methodological approaches to the historical study of family development. *Journal of Social History*, *12*(1), 97–109.
Harris, D., Martinez, J. I., and Ward, J. L. (1994). Is strategy different for the family-owned business? *Family Business Review*, *7*(2), 159–174.
Hatak, I. R., and Roessl, D. (2015). Relational competence-based knowledge transfer within intrafamily succession: An experimental study. *Family Business Review*, *28*(1), 10–25.
Hitt, M. A., Ireland, R. D., Camp, S. M., and Sexton, D. L. (2001). Strategic entrepreneurship: Entrepreneurial strategies for wealth creation. *Strategic Management Journal*, *22*(6–7), 479–491.
Hitt, M. A., Nixon, R. D., Hoskisson, R. E., and Kochhar, R. (1999). Corporate entrepreneurship and cross-functional fertilization: Activation, process and disintegration of a new product design team. *Entrepreneurship Theory and Practice*, *23*(3), 145–167.
Hornsby, J. S., Naffziger, D. W., Kuratko, D. F., and Montagno, R. V. (1993). An interactive model of the corporate entrepreneurship process. *Entrepreneurship Theory and Practice*, *17*(2), 29–37.
Hoskisson, R. E., Covin, J., Volberda, H. W., and Johnson, R. A. (2011). Revitalizing entrepreneurship: The search for new research opportunities. *Journal of Management Studies*, *48*(6), 1141–1168.
Hoskisson, R. E., Hitt, M. A., Johnson, R. A., and Grossman, W. (2002). Conflicting voices: The effects of institutional ownership heterogeneity and internal governance on corporate innovation strategies. *Academy of Management journal*, *45*(4), 697–716.
Hoy, F. (1995). Researching the entrepreneurial venture. In Katz, J. A., and Brockhaus, R. H. Sr. (eds.), *Advances in entrepreneurship, firm emergence, and growth* (Vol. 2, pp. 145–174). Greenwich, CT: JAI Press.
Hoy, F. (2006). The complicating factor of life cycles in corporate venturing. *Entrepreneurship Theory and Practice*, *30*(6), 831–836.
IFERA. (2003). Family businesses dominate. *Family Business Review*, *16*(4), 235–240.
Ireland, R. D., Hitt, M. A., Camp, S. M., and Sexton, D. L. (2001). Integrating entrepreneurship and strategic management actions to create firm wealth. *Academy of Management Executive*, *15*(1), 49–63.
Jaskiewicz, P., Combs, J. G., and Rau, S. B. (2015). Entrepreneurial legacy: Toward a theory of how some family firms nurture transgenerational entrepreneurship. *Journal of Business Venturing*, *30*(1), 29–49.

Jensen, M. C., and Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, *3*(4), 305–360.
Jones, G. R., and Butler, J. E. (1992). Managing internal corporate entrepreneurship: An agency theory perspective. *Journal of Management*, *18*(4), 733–749.
Jones, O., Ghobadian, A., O'Regan, N., and Antcliff, V. (2013). Dynamic capabilities in a sixth-generation family firm: Entrepreneurship and the Bibby Line. *Business History*, *55*(6), 910–941.
Karra, N., Tracey, P., and Phillips, N. (2006). Altruism and agency in the family firm: Exploring the role of family, kinship, and ethnicity. *Entrepreneurship Theory and Practice*, *30*(6), 861–877.
Kellermanns, F. W., and Eddleston, K. A. (2006). Corporate entrepreneurship in family firms: A family perspective. *Entrepreneurship Theory and Practice*, *30*(6), 809–830.
Kellermanns, F. W., Eddleston, K. A., Barnett, T., and Pearson, A. (2008). An exploratory study of family member characteristics and involvement: Effects on entrepreneurial behavior in the family firm. *Family Business Review*, *21*(1), 1–14.
Kemelgor, B. H. (2002). A comparative analysis of corporate entrepreneurial orientation between selected firms in the Netherlands and the USA. *Entrepreneurship and Regional Development*, *14*(1), 67–87.
Kickul, J., Liao, J., Gundry, L., and Iakovleva, T. (2010). Firm resources, opportunity recognition, entrepreneurial orientation and performance: the case of Russian women-led family businesses. *International Journal of Entrepreneurship and Innovation Management*, *12*(1), 52–69.
Knight, G. A. (1997). Cross-cultural reliability and validity of a scale to measure firm entrepreneurial orientation. *Journal of Business Venturing*, *12*(3), 213–225.
Kodithuwakku, S. S., and Rosa, P. (2002). The entrepreneurial process and economic success in a constrained environment. *Journal of Business Venturing*, *17*(5), 431–465.
Kuratko, D., Montagno, R., and Hornsby, J. (1990). Developing an intrapreneurial assessment instrument for an effective corporate entrepreneurial environment. *Strategic management journal*, *11*, 49–58.
Kuratko, D. F. (2010). Corporate entrepreneurship: An introduction and research review. In Acs, Z. J., and Audretsch, D., *Handbook of entrepreneurship research* (pp. 129–163). New York: Springer.
Lambrecht, J., and Lievens, J. (2008). Pruning the family tree: An unexplored path to family business continuity and family harmony. *Family Business Review*, *21*(4), 295–313.
Le Breton-Miller, I., Miller, D., and Lester, R. H. (2011). Stewardship or agency? A social embeddedness reconciliation of conduct and performance in public family businesses. *Organization Science*, *22*(3), 704–721.
Levie, J., and Lichtenstein, B. B. (2010). A terminal assessment of stages theory: Introducing a dynamic states approach to entrepreneurship. *Entrepreneurship Theory and Practice*, *34*(2), 317–350.
Lumpkin, G. T., Brigham, K. H., and Moss, T. W. (2010). Long-term orientation: Implications for the entrepreneurial orientation and performance of family businesses. *Entrepreneurship and Regional Development*, *22*(3–4), 241–264.
Lumpkin, G.T. and Dess, G.G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *Academy of Management Review*, *21*(1), 135–172.
Lumpkin, G. T., and Dess, G. G. (2001). Linking two dimensions of entrepreneurial orientation to firm performance: The moderating role of environment and industry life cycle. *Journal of Business Venturing*, *16*(5), 429–451.
Lumpkin, G. T., Steier, L., and Wright, M. (2011). Strategic entrepreneurship in family business. *Strategic Entrepreneurship Journal*, *5*(4), 285–306.
Marchisio, G., Mazzola, P., Sciascia, S., Miles, M., and Astrachan, J. (2010). Corporate venturing in family business: The effects on the family and its members. *Entrepreneurship and Regional Development*, *22*(3–4), 349–377.
Markides, C. (1998). Strategic innovation in established companies. *MIT Sloan Management Review*, *39*(3), 31.
McGrath, R. G., Venkataraman, S., and MacMillan, I. C. (1992, August). Measuring outcomes of corporate venturing: An alternative perspective. In *Academy of Management Proceedings*, *1*, 85–89.
McKelvie, A., McKenney, A. F., Lumpkin, G. T., and Short, J. C. (2014). Corporate entrepreneurship in family businesses: Past contributions and future opportunities. In Melin, L., Nordqvist, M., and Sharma, P., *SAGE Handbook of family business* (Vol. 17, pp. 340–363), Sage.
Memili, E., Lumpkin, G. T., and Dess, G. G. (2010). Entrepreneurial orientation: The driving force for corporate entrepreneurship. In Mazzola, P., and Kellermanns, F. W. (eds.), *Handbook of research on strategy process* (Vol. 15, pp. 326–349). Edward Elgar Publishing.
Miller, D. (1983). The correlates of entrepreneurship in three types of firms. *Management Science*, *29*(7), 770–791.

Miller, D., and Friesen, P. H. (1984). A longitudinal study of the corporate life cycle. *Management Science*, *30*(10), 1161–1183.
Miller, D., Le Breton-Miller, I., and Lester, R. H. (2011). Family and lone founder ownership and strategic behaviour: Social context, identity, and institutional logics. Journal of *Management Studies*, *48*(1), 1–25.
Mitchell, J. R., Hart, T. A., Valcea, S., and Townsend, D. M. (2009). Becoming the boss: Discretion and post-succession success in family firms. *Entrepreneurship Theory and Practice*, *33*(6), 1201–1218.
Moog, P., Mirabella, D., and Schlepphorst, S. (2011). Owner orientations and strategies and their impact on family business. *International Journal of Entrepreneurship and Innovation Management*, *13*(1), 95–112.
Morioka, K. (1967). Life cycle patterns in Japan, China, and the United States. *Journal of Marriage and the Family*, *29*(3), 595–606.
Muñoz-Bullón, F., and Sanchez-Bueno, M. J. (2011). The impact of family involvement on the R&D intensity of publicly traded firms. *Family Business Review*, *24*(1), 62–70.
Naldi, L., Nordqvist, M., Sjöberg, K., and Wiklund, J. (2007). Entrepreneurial orientation, risk taking, and performance in family firms. *Family Business Review*, *20*(1), 33–47.
Nordqvist, M. (2005). Understanding the role of ownership in strategizing: A study of family firms.
Nordqvist, M., and Melin, L. (2010). Entrepreneurial families and family firms. *Entrepreneurship and Regional Development*, *22*(3–4), 211–239.
Parker, S. C., and van Praag, C. M. (2012). The entrepreneur's mode of entry: Business takeover or new venture start? *Journal of Business Venturing*, *27*(1), 31–46.
Phan, P. H., Wright, M., Ucbasaran, D., and Tan, W. L. (2009). Corporate entrepreneurship: Current research and future directions. *Journal of Business Venturing*, *24*(3), 197–205.
Pinchot III, G. (1985). *Intrapreneuring: Why you don't have to leave the corporation to become an entrepreneur*. University of Illinois at Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research Reference in Entrepreneurship.
Pistrui, D., Murphy, P. J., and Deprez-Sims, A. S. (2010). The transgenerational family effect on new venture growth strategy. *International Journal of Entrepreneurship and Innovation Management*, *12*(1), 3–16.
Piva, E., Rossi-Lamastra, C., and De Massis, A. (2013). Family firms and internationalization: An exploratory study on high-tech entrepreneurial ventures. *Journal of International Entrepreneurship*, *11*(2), 108–129.
Porter, L. W., and Lawler, E. E. (1968). *Managerial attitudes and performance*. Homewood, IL: Richard D. Irwin, Inc.
Rogoff, E. G., and Heck, R. K. Z. (2003). Evolving research in entrepreneurship and family business: Recognizing family as the oxygen that feeds the fire of entrepreneurship. *Journal of Business Venturing*, *18*(5), 559–566.
Rosa, P., Howorth, C., and Cruz, A. D. (2013). Habitual and portfolio entrepreneurship and the family in business. In Melin, L., Nordqvist, M., and Sharma, P., *SAGE handbook of family business* (Vol. 18, pp. 364–382), Sage.
Salvato, C., Chirico, F., and Sharma, P. (2010), A farewell to the business: Championing exit and continuity in entrepreneurial family firms. *Entrepreneurship and Regional Development: An International Journal*, *22*(3–4), 321–348.
Sardeshmukh, S. R., and Corbett, A. C. (2011). The duality of internal and external development of successors: opportunity recognition in family firms. *Family Business Review*, *24*(2), 111–125.
Schildt, H. A., Maula, M. V., and Keil, T. (2005). Explorative and exploitative learning from external corporate ventures. *Entrepreneurship Theory and Practice*, *29*(4), 493–515.
Sciascia, S., and Bettinelli, C. (2013). Part III: Corporate Entrepreneurship in Context: 1. Corporate Entrepreneurship in Family Businesses: past, present and future research. *M@n@gement*, *16*(4), 422–432.
Scott, B.R. (1971). *Stages of corporate development—Part I*. Boston: Intercollegiate Case Clearing House, Harvard University.
Sharma, P., and Chrisman, J. (1999). Toward a reconciliation of the definitional issues in the field of corporate entrepreneurship. *Entrepreneurship Theory and Practice, 23*(3), 11–27.
Sharma, P., Chrisman, J. J., and Gersick, K. E. (2012). 25 years of family business review: reflections on the past and perspectives for the future. *Family Business Review*, *25*(1), 5–15.
Sharma, P., Salvato, C., and Reay, T. (2014). Temporal dimensions of family enterprise research. *Family Business Review*, *27*(1), 10–19.
Shepherd, D., and Haynie, J. M. (2009). Family business, identity conflict, and an expedited entrepreneurial process: A process of resolving identity conflict. *Entrepreneurship Theory and Practice*, *33*(6), 1245–1264.
Shimizu, K. (2012). Risks of corporate entrepreneurship: Autonomy and agency issues. *Organization Science*, *23*(1), 194–206.

Simon, M., Houghton, S. M., and Gurney, J. (1999). Succeeding at internal corporate venturing: Roles needed to balance autonomy and control. *Journal of Applied Management Studies*, *8*(2), 145–159.

Sirmon, D. G., and Hitt, M. A. (2003). Managing resources: Linking unique resources, management, and wealth creation in family firms. *Entrepreneurship Theory and Practice*, *27*(4), 339–358.

Stam, W., and Elfring, T. (2008). Entrepreneurial orientation and new venture performance: The moderating role of intra-and extraindustry social capital. *Academy of Management Journal*, *51*(1), 97–111.

Stinchcombe, A. L. (2000). Social structure and organizations. In Joel, A.C., and Baum, F. D. (Eds), *Economics Meets Sociology in Strategic Management*, *17*, 229–259. Emerald Group Publishing Limited.

Strotmann, H. (2007). Entrepreneurial survival. *Small Business Economics*, *28*(1), 87–104.

Tagiuri, R., and Davis, J. (1996). Bivalent attributes of the family firm. *Family Business Review*, *9*(2), 199–208.

Thomsen, S., and Pedersen, T. (2000). Ownership structure and economic performance in the largest European companies. *Strategic Management Journal*, *21*(6), 689–705.

Vesper, K. H. (1984). *Three faces of corporate entrepreneurship: A pilot study*. University of Washington. Graduate School of Business.

Villalonga, B., and Amit, R. (2009). How are US family firms controlled? *Review of Financial Studies*, *22*(8), 3047–3091.

Wales, W., Monsen, E., and McKelvie, A. (2011). The organizational pervasiveness of entrepreneurial orientation. *Entrepreneurship Theory and Practice*, *35*(5), 895–923.

Wang, Y., and Poutziouris, P. (2010). Entrepreneurial risk taking: Empirical evidence from UK family firms. *International Journal of Entrepreneurial Behaviour and Research*, *16*(5), 370–388.

Ward, J. L. (1997). Growing the family business: Special challenges and best practices. *Family Business Review*, *10*(4), 323–337.

Webb, J. W., Ketchen Jr, D. J., and Ireland, R. D. (2010). Strategic entrepreneurship within family-controlled firms: Opportunities and challenges. *Journal of Family Business Strategy*, *1*(2), 67–77.

Welsh, D. H., Memili, E., Rosplock, K., Roure, J., and Segurado, J. L. (2013). Perceptions of entrepreneurship across generations in family offices: A stewardship theory perspective. *Journal of Family Business Strategy*, *4*(3), 213–226.

Wiklund, J., and Shepherd, D. (2003). Research notes and commentaries: Knowledge-based resources, entrepreneurial orientation, and the performance of small and medium-sized businesses. *Strategic Management Journal*, *24*(13), 1307–1314.

Wiklund, J., and Shepherd, D. (2005). Entrepreneurial orientation and small business performance: a configurational approach. *Journal of Business Venturing*, *20*(1), 71–91.

Wong, Y. J., Chang, S. C., and Chen, L.Y. (2010). Does a Family-controlled Firm Perform Better in Corporate Venturing? *Corporate Governance: An International Review*, *18*(3), 175–192.

Yacob, S. (2012). Trans-generational renewal as managerial succession: The Behn Meyer story (1840–2000). *Business History*, *54*(7), 1166–1185.

Yang, N. (2012). Small businesses and international entrepreneurship in the economic hard time: A global strategic perspective. *International Journal of Entrepreneurship*, *16*, 113–131.

Zacher, H., Rosing, K., and Frese, M. (2011). Age and leadership: The moderating role of legacy beliefs. *The Leadership Quarterly*, *22*(1), 43–50.

Zahra, S.A. (1991). Predictors and financial outcomes of corporate entrepreneurship: An exploratory study. *Journal of Business Venturing*, *6*(4), 259–285.

Zahra, S. A. (2005). Entrepreneurial risk taking in family firms. *Family Business Review*, *18*(1), 23–40.

Zahra, S. A. (2010). Harvesting family firms' organizational social capital: A relational perspective. *Journal of Management Studies*, *47*(2), 345–366.

Zahra, S. A., and Covin, J. G. (1995). Contextual influences on the corporate entrepreneurship-performance relationship: A longitudinal analysis. *Journal of Business Venturing*, *10*(1), 43–58.

Zahra, S. A., Hayton, J. C., and Salvato, C. (2004). Entrepreneurship in family vs. Non-Family firms: A Resource-Based analysis of the effect of organizational culture. *Entrepreneurship Theory and Practice*, *28*(4), 363–381.

Zahra, S. A., Nielsen, A. P., and Bogner, W. C. (1998). Corporate entrepreneurship, knowledge, and competence development. AUBret.

Zellweger, T., Nason, R., and Nordqvist, M. (2012). From longevity of firms to transgenerational entrepreneurship of families: Introducing family entrepreneurial orientation. *Family Business Review*, *25*(2), 136–155.

Zellweger, T., and Sieger, P. (2012). Entrepreneurial orientation in long-lived family firms. *Small Business Economics*, *38*(1), 67–84.