CHAPTER 6

Researching at the Intersection of Family Business and Entrepreneurship

INTRODUCTION

The family business and entrepreneurship literatures have had some exchange in the past; however, this exchange has been largely limited in scope (e.g., the addition of a variable from one field into the other), borrowing in nature (e.g., the transferred variable maintains its initial meaning, form, and measurement), and uni-directional (i.e., contributing minimally back to the source literature). Nevertheless, studies combining these two literatures have made important contributions to both fields. For example, researchers have contributed to our understanding of family firms’ performance by exploring firms’ entrepreneurial orientation (e.g., Casillas, Moreno, & Barbero, 2009; Cruz & Nordqvist, 2012; Lumpkin, Brigham, & Moss, 2010; Naldi, Nordqvist, Sjöberg, & Wiklund, 2007; Short, Payne, Brigham, Lumpkin, & Broberg, 2009). Even with these important contributions, however, research could go further, investigating the possibility of a different level and form of exchange, one that has a broad scope and involves blending (Oswick, Fleming, & Hanlon, 2011) and bricolage (Boxenbaum & Rouleau, 2011). Importantly, this new exchange should provide the opportunity to contribute to both the family business and entrepreneurship literatures.

This chapter builds on Shepherd (2016)
The goal of this chapter is to start to build such a framework. Specifically, we begin with issues of vitality in entrepreneurship, compare them to topics in family business, and then begin to blend and recombine constructs and relationships to create research opportunities that will contribute to both the family business and entrepreneurship fields. We focus on three specific sources of vitality at the intersection of family business and entrepreneurship for several reasons. First, each source of vitality aligns with a recent framework describing sources of vitality for entrepreneurship (i.e., Shepherd, 2015; see also Chap. 2). Additionally, each source moves past the strategic-management perspective that is often used in family business research (Sharma, De Massis, & Gagné, 2014; see also De Massis, Frattini, & Lichtenthaler, 2012; James, Jennings, & Breitkreuz, 2012), instead taking a psychological perspective, which has become increasingly popular in entrepreneurship research (e.g., Baron, 1998; Cardon, Foo, Shepherd, & Wiklund, 2012; Shepherd, 2015) and has substantial potential in family business research (Gagné, Sharma, & De Massis, 2014; Miller & Le Breton-Miller, 2014; Sharma et al., 2014). Next, by focusing on these sources of vitality, we are able to shift the level of analysis from the firm to the individual in order to further move beyond the strategic-management perspective. Finally, this approach has solid theoretical grounding in established literatures, thus providing the foundation for research to significantly contribute to these “source” literatures by pushing theories’ boundaries given the extreme context of family business and entrepreneurial action these theories need to accommodate. By focusing the discussion in this way, we hope this chapter (and, ultimately, the discourse and actions that follow) makes several important contributions.

First, family business research has a strong tradition of exploring social interactions (Kellermanns & Eddleston, 2004; Morris, Williams, Allen, & Avila, 1997) largely focused on the relationship between principals and agents of family businesses (Chrisman, Chua, & Litz, 2004; Gomez-Mejia, Nunez-Nickel, & Gutierrez, 2001; Schulze, Lubatkin, & Dino, 2003; Siebels & zu Knyphausen-Aufseß, 2012; Vilaseca, 2002). Although this research has made important contributions to our understanding of management and governance, we lack a sufficient understanding of other commercial relationships involving the family firm (Gagné et al., 2014). In this chapter, we begin to address the call in Chap. 2 (see also Shepherd, 2015) for more research on the inter-relationship between the actor and a community of inquiry in developing and refining a potential opportunity in order to explore how the fam-
ily business context can help challenge and extend the boundaries of an emerging social interaction theory of opportunity generation and refinement. Specifically, by considering the role of the family, theorizing needs to consider the nature of a “collective mind” forming opportunity beliefs; consider at least two communities of inquiry internal to the firm refining an opportunity and, in doing so, being transformed themselves; and consider how the family, through a potential opportunity, can transform the business (as a community of inquiry) and communities of inquiry external to the firm.

Second, family business research has put great effort into exploring the impact emotion has on decision making and action (e.g., Astrachan & Jaskiewicz, 2008; Berrone, Cruz, Gomez-Mejia, & Larraza-Kintana, 2010; Harrell, 1997; Kellermanns, Eddleston, & Zellweger, 2012; Zellweger & Dehlen, 2011), focusing a considerable subset of that research on socio-emotional wealth (Berrone, Cruz, & Gomez-Mejia, 2012; Berrone et al., 2010; Gómez-Mejía, Haynes, Núñez-Nickel, Jacobson, & Moyano-Fuentes, 2007; Kellermanns et al., 2012). Along these lines, it is highly likely that contributions to both the entrepreneurship and family business literatures will result from exploring (1) opportunities to gain socio-emotional wealth rather than threats to this wealth, (2) the flow of socio-emotional wealth rather than a sole focus on its stock; and, consistent with these principles, and (3) the development of a micro-foundation process model of socio-emotional wealth.

Lastly, family business researchers have often been trailblazers in exploring and acknowledging firm-management practices to reap benefits that go beyond purely economic gains, such as benefits associated with supporting family members’ psychological and social well-being (Lubatkin, 2007; Schulze, Lubatkin, Dino, & Buchholtz, 2001; Schulze et al., 2003), offering valuable career paths (Dyer & Handler, 1994), and protecting socio-emotional wealth (Cruz, Gomez-Mejia, & Becerra, 2010; Gomez-Mejia, Cruz, Berrone, & De Castro, 2011; Gomez-Mejia, Makri, & Kintana, 2010; Gómez-Mejía et al., 2007; Jones, Makri, & Gomez-Mejia, 2008). Extending these concepts to prosocial behavior, in this chapter, we begin to investigate how family firms could use their unique position to identify, organize, and develop opportunities to alleviate suffering in- or outside the family or the business.

The chapter proceeds by highlighting each of the areas of vitality and the ways research in those areas can make important contributions to both the family business and entrepreneurship fields.
AN INTERACTIONS PERSPECTIVE OF ENTREPRENEURIAL OPPORTUNITIES AND FAMILY BUSINESSES

Family business research has a strong tradition of exploring social interactions (e.g., Kellermanns & Eddleston, 2004; Morris et al., 1997). Specifically, because family firms often have both family and non-family owners, considerable attention has been paid to the interaction between principals and agents for issues related to conflicts of interest and asymmetric information (Chrisman et al., 2004; Gomez-Mejia et al., 2001; Schulze et al., 2003; Siebels & zu Knyphausen-Aufseß, 2012; Vilaseca, 2002). For example, Schulze (2001) highlighted the agency costs of altruism—parents acting generously toward their children when running the business (Kets de Vries, 1993; Schulze et al., 2003b)—and management entrenchment—family members having secure positions in management through neutralized internal control mechanisms (Gomez-Mejia et al., 2001; Siebels & zu Knyphausen-Aufseß, 2012; Villalonga & Amit, 2006). Whereas research based on stewardship theory explains how agents act in the best interest of the principles (Davis, Schoorman, & Donaldson, 1997; Donaldson & Davis, 1991; Siebels & zu Knyphausen-Aufseß, 2012), family members tend to place the well-being of the firm over their own well-being (Cabrera-Suárez, De Saá-Pérez, & García-Almeida, 2001; Corbetta & Salvato, 2004; Zahra, 2003). For example, the managers (i.e., stewards) engage in pro-organizational behaviors that enhance family firm performance (Corbetta & Salvato, 2004; Kellermanns & Eddleston, 2004) and create a sense of community (Arregle, Hitt, Sirmon, & Very, 2007; Guzzo & Abbott, 1990; Miller & Le Breton-Miller, 2006).

Despite knowledge about the economic and social exchange from the family to others, there is little understanding of other commercial relationships in family firms (Gagné et al., 2014). Indeed, research on the inter-relationships between the community and the actor over potential opportunities provides a basis for an important contribution to entrepreneurship (Chap. 2; see also Shepherd, 2015), and, as we explore below, this contribution can be achieved through family business research.

A potential opportunity represents both a vehicle and an outcome of interaction, the exploration of which in the family business context can provide the basis for important contributions to both fields. Individuals can form a belief that a situation represents an opportunity for someone (Cornelissen & Clarke, 2010; Grégoire & Shepherd, 2012) and an opportunity for them specifically (Autio, Dahlander, & Frederiksen, 2013;
Haynie, Shepherd, & McMullen, 2009; Mitchell & Shepherd, 2010)—that is, third- and first-person opportunity beliefs (McMullen & Shepherd, 2006), respectively. By acting on this potential opportunity, the individual engages with a community to test (e.g., talk, probe, and exploit) the veracity of the potential opportunity; in turn, a community of inquiry (e.g., customers, suppliers, and financers) provides feedback about the potential opportunity (Autio et al., 2013; Shepherd, 2015; see also Chap. 2). This feedback can transform the mind of the individual, which can then transform the nature of the potential opportunity and, through interactions with the manifestations of the potential opportunity, transform the community of inquiry. This notion of mutual adjustment between the mind and the world (Dewey, 1939) through testing and refining a potential opportunity can inform (and be informed by) family business research.

From the social interactive perspective of the identification and refinement of a potential opportunity, the “mind” refers to an individual (implicitly independent of the firm context), and the “world” is external to the individual (implicitly independent of the individual). The family firm context requires us to begin to question these implicit assumptions and thereby raise opportunities for future research to make important contributions.

**The Mutual Adjustment of the Family and the Potential Opportunity**

Although we have an understanding of how individuals identify (Fiet, 2007; Grégoire, Barr, & Shepherd, 2010; Shane, 2000) and form beliefs about opportunities (McMullen & Shepherd, 2006), we do not have a good idea of how groups come to form opportunity beliefs. Because family members are (to varying degrees) in tune with each other’s emotional and cognitive states (Morris, Silk, Steinberg, Myers, & Robinson, 2007), have similar values (Aronoff, 2004), and have established communication patterns (Fitzpatrick & Ritchie, 1994), the family business context is ideal to begin to explore the role of the “collective mind” as an input and an outcome of the refinement of potential opportunities. For example, to what extent does the community of inquiry, through refining a potential opportunity, transform the family of a family business? At first, this seems like a stretch because we often think of the family as relatively stable and enduring. However, despite the initial assumption that the identity of individuals and organizations are relatively stable and enduring (Albert
& Whetten, 1985), recent research has acknowledged that identity is mutable (Gioia, Patvardhan, Hamilton, & Corley, 2013; Gioia, Schultz, & Corley, 2000). Although we are not going to resolve the debate about the endurance of identity here, we can begin to think about when, how, and in what way the family can be transformed by a community of inquiry through interactions over a potential opportunity. In many ways, this can add new insights into our understanding of mutual adjustment. It is not just conflict over business issues that influences the family (Carr & Hmieleski, 2015; Shepherd & Haynie, 2009) or conflict within the family that influences the business (Dyer, 1994; Kellermanns & Eddleston, 2004; Lee & Rogoff, 1996; Schulze et al., 2003; Sorensen, 1999), but interactions with a community of inquiry over a potential opportunity have the potential to transform the family.

Moreover, the transformed family refines the potential opportunity, which in turn influences the community. It is interesting to follow the logic of this theorizing further. This process of mutual adjustment potentially drives the family firm and the community of inquiry closer together, and while this might be a profitable outcome for the business, it may fundamentally transform the family “mind” in a way that perhaps none of its individual members would prefer. Can family firms resist or cease the interactive effect of a particular potential opportunity that is transforming the family in an undesirable way? What are the processes of recognizing a family transformation as undesirable, and what are the processes for terminating (and even reversing) this mutual adjustment of family and community of inquiry via opportunity refinement or opportunity termination (despite its high-profit potential)? It could be that the transformation of the family from the pursuit of an emerging potential opportunity creates a slippery slope (or path dependence) that is difficult to redirect or stop.

Communities of Inquiry Within the Family Business

While research has typically considered the community of inquiry to be external and somewhat independent of the individual identifying and refining the opportunity (Shepherd, 2015), a shift to the family business context offers a different perspective on the community of inquiry. For example, a community of inquiry could be considered more internal when it involves other members of the business and/or other members of the family. Given that a potential opportunity can be refined through interaction with a community of inquiry, what happens when there are multiple
communities of inquiry and each provides different feedback? The different feedback provides a basis for refining the opportunity in different ways—a fork in the road. Which path is chosen, why, and with what consequence? Perhaps it is less about consciously choosing a path but choosing the community of inquiry with which to remain engaged. Indeed, by pursuing one of the directions for refining the potential opportunity, both communities of inquiry may be transformed but in different ways. Therefore, the process of refining a potential opportunity may lead to the transformation of the business (as a community of inquiry) and the family (as a community of inquiry) in ways that create divergence between the family and the business where there once was convergence. This notion has implications for future research on the generation, evaluation, and refinement of potential opportunities in the family business context.

If a potential opportunity is a source of transformation that creates divergence between the family and the business in some family businesses, then perhaps it can also be a source of convergence in other family businesses. That is, for family firms with little congruence between the family and business sub-systems, the identification and refinement of a potential opportunity may be a vehicle for transforming the communities such that there is more overlap between the two, thereby resolving the “disconnect”—namely, putting them both on the same page. Rather than creating two immovable yet opposing “mindsets,” a potential opportunity can represent a vehicle for interaction through which the potential opportunity is refined. In so doing, the communities of inquiry are transformed, thus closing the “mindset” gap. Future research can determine whether this process of convergence leads to a compromise of tradeoffs or a win-win situation.

**Family Members’ Choices of Internal Communities of Inquiry**

Over and above the interaction with the external community of inquiry and between the family and the business communities of inquiry, the process of refining a potential opportunity will likely have an impact at the inter-personal level within both of the family firm’s sub-systems. Here, we can focus on the unique aspect of the family business context—the family. When a member of the family forms an opportunity belief, how does he or she “test” it with other family members, change his or her conceptualization of the potential opportunity (in line with feedback), and reflect that changed conceptualization in refinements to the nature of the potential
opportunity? How do these refinements then transform the group of family members acting as a community of inquiry? Perhaps the individual with the initial idea of a potential opportunity can choose or create this first community of inquiry. Perhaps the family is used first as a community of inquiry because they are proximal and vested. Alternatively, the first community of inquiry could be a smaller sub-group within the family, a smaller sub-group of non-family business members, or an external (i.e., outside the family business) community of inquiry before the family is approached as a whole. As alluded to in the previous paragraph, the differential transformation of communities through a potential opportunity’s refinement may complicate a sequential process of advancing from one community to the next. Indeed, although the generation of a potential opportunity likely starts with one community or the other, this opportunity process likely continues in a highly iterative process by which opportunity refinement occurs through interactions within and between these different communities, which are themselves being transformed by the process.

In sum, we can learn a great deal about the process of opportunity identification and refinement by exploring social interactions in the family business context and thereby make important contributions to theory. We can also learn a great deal about transformations of the family and the business by exploring the identification and refinement of opportunities.

**Summary**

In Fig. 6.1, we offer a sketch of an example of a more opportunity-based perspective of family business interactions as a basis for guiding future research. Although there are likely many potential future research contributions arising from studies of the interactions occurring in the family business context, we propose that important avenues for future research include addressing the following questions: (1) How does testing the veracity of a family business’s potential opportunity in a community of inquiry transform the family, business, and/or external community? (2) How does the transformation of the family community of inquiry and/or the business community of inquiry refine the nature of the potential opportunity? (3) How does the transformation of the business community of inquiry (through the refinement of a potential opportunity) transform the family community of inquiry and vice versa? (4) How and when does the refinement of a potential opportunity lead to convergence of the family and business (or convergence within either sub-system)? (5) How and
Fig. 6.1 A sketch of an opportunity-based perspective of family business interactions
when does the refinement of a potential opportunity lead to divergence of the family and the business (or divergence within either sub-system)?

(6) Finally, how does the sequence of engaging different communities of inquiry impact the evolution of the potential opportunity and the mind of the originator of the idea?

**Emotions, Entrepreneurship, and Family Businesses**

Our initial arguments are grounded in socio-emotional wealth (as represented in the family business literature) but also reflect a broader thinking in regard to the more general role emotion plays at the intersection of family business and entrepreneurship. In this context, emotion refers to subjective feeling states with a clear cause or object, a short duration, and a focus on a specific target (adapted from Frijda, 1994). We believe future research can make substantial contributions to the family business and entrepreneurship fields (and beyond) by exploring the different roles emotion plays. To begin this process, in the remainder of this chapter, we briefly introduce potential contributions

**Building of a Firm’s Stock of Emotion Resources**

Because most family business research takes a strategic-management perspective (Sharma, Chrisman, & Chua, 1997), it is unsurprising that studies of socio-emotional wealth usually start by focusing on an established firm and its endowment of socio-emotional wealth (Chua, Chrisman, & De Massis, 2015; Gómez-Mejía et al., 2007; Kellermanns et al., 2012). Given the nature of entrepreneurship research, however, an important topic of study is new venture creation and organizational emergence (Delmar & Davidsson, 2000; Katz & Gartner, 1988). Through a more in-depth investigation of organizational emergence, we can start to understand how this endowment of socio-emotional wealth is created and, perhaps, what “imprinting effect” it has. How do emerging organizations develop an emotion-related endowment, why do some new organizations have stronger emotion-related endowments than others, and how does this endowment (or lack thereof) influence the other nascent activities in the organizational-emergence process?

Research exploring the connections between activities of building emotion stocks and those of building an organization is likely to shed
new light on our understanding of not only the entrepreneurial process as a whole but also the beginning phases of family firms. For example, through such research, we could gain a deeper understanding of how an emerging organization’s current emotion-related endowment affects the type, timing, and/or sequence of the nascent activities associated with organizational emergence (for nascent activities, see Lichtenstein, Dooley, & Lumpkin, 2006). Perhaps there is a different pattern of organizational emergence for firms starting with a greater emotion-related endowment than for organizations with a weaker emotion-related endowment and/or for firms trying to grow their emotional endowment (although, this likely depends greatly on the type of emotional endowment under investigation). For instance, as firms engage in organizational-emergence activities, such as member selection for family businesses or activities that build stronger connections between founding team members, they are likely to uncover or begin to build a socio-emotional endowment. Thus, firms may be able to influence and actively manage the creation of an emotional endowment around the family or some other kinship group.

**Micro-Foundations of a Firm’s Stock of Emotion Resources**

Unsurprisingly, many family business scholars of socio-emotional wealth have focused on the firm level of analysis primarily due to their interest in the performance of family firms (Cruz et al., 2010; Gómez-Mejía et al., 2007). However, by shifting the level of analysis to individuals, dyads, and sub-groups within the firm (including within the family), many new research opportunities arise to investigate the micro-foundations of firms’ stocks of emotions (see Miller & Le Breton-Miller, 2014; Schulze & Kellermanns, 2015). In particular, by disaggregating firm-level socio-emotional wealth, research has the potential to reveal how and why the stocks and flows of emotions (specifically those related to kinship ties) influence entrepreneurial activities. Further, this approach will allow us to explain the degree and characteristics of firms’ entrepreneurial actions as well as the outcomes of those actions for not only family and/or business members but also firm performance. A promising first step may be to study the emotion stocks (type and level) of sub-groups within the firm as well as within the family. More specifically, it is probable that sub-groups within the family (e.g., husband and wife, siblings, in-laws, grandchil-
dren) form different perceptions regarding various aspects of the business (e.g., the value of current family control of the business), thereby resulting in different levels of socio-emotional wealth. By exploring sub-groups’ emotion stocks in general and their emotion-related values more specifically (and emotions flows), future research can clarify how and why families with different sub-groups make different decisions and/or have different performance outcomes.3

Indeed, to the extent that these differences in emotion stocks across sub-groups affect entrepreneurial activities and thus entrepreneurial action, the importance of this research will be heightened. It could be that differences in emotion-related values among sub-groups create tension among firm members over which opportunities the firm should pursue. If this is the case, how do firm members overcome conflicts? It could be that tension among sub-groups could be functional (i.e., task conflict) if the different sub-groups serve as a “check” for other groups’ opportunity proposals, thus maintaining some form of “emotional” balance in the firm. It is also likely that differences in sub-group emotional stocks help firms identify and/or generate more opportunities from which to choose (for more on the advantages of a larger opportunity set, see Gruber, MacMillan, & Thompson, 2008) or from which to create a portfolio of ventures (see Bakker & Shepherd, 2017).

Stocks and Flows of Emotion Resources

Researchers can improve theory on the stock of emotion-related values (e.g., socio-emotional wealth) by studying the flow of such stock (Chua et al., 2015) as well as variations in flow across family members (Miller & Le Breton-Miller, 2014). Such research will enable the creation of a more dynamic, finer-grained process model (e.g., the stock and flow of knowledge [Dierickx & Cool, 1989]) detailing how collective emotions affect decision making within family and/or entrepreneurial businesses. More specifically, as the firm, family, family members, and/or founders move through the entrepreneurial process, the firm’s stock of socio-emotional wealth and other forms of emotion-related values will likely change (and perhaps ebb and flow). For example, for some parts of the entrepreneurial process (e.g., developing the business), the perceived value of family control and influence (Berrone et al., 2010; Gómez-Mejía et al., 2007) may be more desirable than for other parts (e.g., inventing). Similarly, given their different interests, skills, and pref-
ferences, family members are likely to identify with and be attracted to (Dyer & Whetten, 2006) different parts and activities of the firm (e.g., identifying more with the marketing department than with the manufacturing department). By pursuing opportunities with which they identify, family members are likely to generate positive emotions, whereas they are likely to generate negative emotions by pursuing opportunities with which they do not identify.

Kinship ties also play an interesting role in family businesses, with some ties likely being stronger among some sub-groups than others (e.g., Discua-Cruz, Howorth, & Hamilton, 2013). Additionally, kinship ties may “switch” for different tasks associated with the entrepreneurial process: ties with one’s sister, for example, may be stronger for creative endeavors, whereas ties with one’s brother are stronger for opportunity exploitation. Furthermore, because most individuals are emotionally attached to at least some parts of their work (Eddleston & Kellermanns, 2007), entrepreneurial project failure may negatively impact emotional attachments (Shepherd, Patzelt, & Wolfe, 2011) between kin but may also open up the possibility for other attachments to develop (e.g., a new project or an addition to the family). However, while kinship ties are generally discussed in the context of family firms, researchers can also consider investigating the development of stocks of emotions in non-family kinship groups. Socio-emotional wealth theory may no longer apply when the focal group is not the family, but socio-emotional wealth scholars do seem to be open to the possibility: “non-family principles and managers might experience some of this [socio-emotional wealth]” (Berrone et al., 2012, pp. 259–260).

Acknowledging that stocks of emotions can be affected by firm members’ entrepreneurial activities, researchers can begin to explore the reciprocal relationship between stocks of emotions and entrepreneurial action. There could be an emotion stock–entrepreneurial action spiral, for example, if a stock of emotions (e.g., collective emotion–related values) affects a firm’s decision to undertake entrepreneurial action and then the entrepreneurial process impacts that stock of emotions. This spiral could be positive, with a higher stock of emotions leading to more entrepreneurial action and the increased entrepreneurial action contributing to the emotion stock. The spiral could also be negative, with a drop in the emotion stock (or a threat of a loss in stock) resulting in decreased entrepreneurial action and this reduced entrepreneurial action leading to a further decrease in the emotion stock.
Emotional Reactions to Failure

Family business researchers have spent considerable time investigating the negative effects of the loss (or threatened loss) of socio-emotional wealth on decision making (Cruz et al., 2010; Gómez-Mejía et al., 2007), and entrepreneurship researchers have studied the negative effects of the loss of an entrepreneurial endeavor (i.e., a project [Shepherd et al., 2011] or a business [Shepherd, 2003]) on decision making; however, surprisingly, there has been little overlap between the two fields. Given their similar interests, cross-fertilization will likely benefit both fields. In particular, higher stocks of emotions could lead firm members to persist in business endeavors despite poor performance. However, such persistence may make failure more costly if it does occur, which is likely to have an adverse effect on the family’s (and its members’) well-being. Moreover, as the family invests greater emotion stocks in the business, the firm is likely to grow in importance among family members, thus generating more grief if failure does occur. This resulting grief could cause family members to suffer longer, learn less, and be less motivated to try again after failure. On the other hand, some of the emotion stocks that led to persistence could also serve as a means to cope with grief. Namely, when faced with grief over entrepreneurial failure, firms with higher emotion stocks may be able to help family members more quickly reduce grief, learn from the failure, and try again. However, firm failure could also ruin or dramatically alter the family’s (and family members’) set of emotion-related values. These conjectures are all speculations at this point. Further research is needed on the emotion stocks of the family (and/or the individuals and groups within the family) and on the failing and/or failure of entrepreneurial endeavors (i.e., projects or firms).

Summary

In Fig. 6.2, we offer a sketch of an emotion-based entrepreneurial process in a family business as a basis for guiding future research. The creation of a family business begins with the family and some level of organizing (a nascent organization) and includes an emotional endowment that influences the extent of entrepreneurial action. Entrepreneurial action, at the project level, can lead to success or failure, and these project outcomes influence the overall performance of the family business. The family business’s emotional endowment is made up of the emotional endowment of
Fig. 6.2  A sketch of an emotion-based entrepreneurial process in a family business
its various sub-groups. Differences in emotional endowments can lead to conflict, which can in turn influence entrepreneurial action and the sub-groups’ emotional endowment from which the conflict originally arose. Indeed, the emotional endowment of the family’s sub-groups is influenced by the family business’s entrepreneurial action, project outcomes, and performance. Similarly, the nature of the family business itself can be influenced by the family business’s entrepreneurial action, project outcomes, and performance.

**Emotional Responses to Others’ Suffering, Entrepreneurship, and Family Businesses**

Researchers have found that when the family has influence in managing the business, resulting business decisions are generally more socially responsible and reflect stronger notions of community citizenship (Berrone et al., 2010; Dyer & Whetten, 2006). The driving force of such “socially responsible” behavior is likely *prosocial motivation*—an individual’s desire to expend effort to assist (i.e., protect or promote the welfare of) other people (Batson, 1998; Grant, 2007). In addition, firms can engage in prosocial behavior through compassion organizing: “a collective response to a particular incident of human suffering that entails the coordination of individual compassion” (Dutton, Worline, Frost, & Lilis, 2006, p. 62). Compassion organizing refers to organizations’ repurposing and redirecting routines used for normal work to quickly respond to employees in need to help alleviate their suffering, such as the University of Michigan’s response to the suffering caused to students by a fire on campus (Dutton et al., 2006).

However, there are times when the firm’s current routines and processes do not align with the needs associated with a member’s suffering. In such cases, the family within (and perhaps reaching beyond) the boundaries of the firm may be able to offer the routines and processes necessary to ease the organizational member’s suffering. That is, the family can serve as the foundation for organizing the identification and exploitation of a potential opportunity to alleviate the member’s suffering. As with any business task, it is likely that some families are better at compassion organizing than others. For instance, families that faced suffering in the past could have stronger compassion-organizing capabilities in the family business context than families without such experience.
As opposed to the “normal” routines of an established firm being used to alleviate suffering, Shepherd and Williams found that new ventures were spontaneously created (within hours and days) to ease people’s suffering in the aftermath of the Black Saturday bushfires (Shepherd & Williams, 2014; Williams & Shepherd, 2016) and the Haiti earthquake (Williams & Shepherd, 2017), both of which were natural disasters that caused extensive damage. It usually takes months and even years for an organization to emerge, so it is remarkable how rapidly these ventures were created and acted to ease suffering (within days and weeks). Interestingly, many of these ventures involved family. In this context, families may have been uniquely positioned to provide the routines and processes necessary to speed up the venture-creation process in order to quickly deliver customized solutions for the alleviation of suffering. While the Black Saturday bushfire and Haiti earthquake are extreme examples of compassion organizing, it is through extreme cases like these that we can extend and build theory (Eisenhardt, 1989). Shepherd and Williams’s work highlights that our understanding of the role of family in the venture-creation process is incomplete (over and above the “family” from “fools, family, and friends” as sources of capital [Aldrich & Cliff, 2003]), especially in regard to alleviating suffering through venture creation. It could be that responding compassionately to others’ suffering strengthens prosocial motivation, enables the development of new routines (within the family and/or firm) to alleviate subsequent suffering (by family and/or organizational members), and builds individuals’ capacity to rapidly create new ventures.

Contingencies—rather than global predictions about family firms’ (or even one specific family firm’s) entrepreneurial actions—are likely to be important in fully understanding behavior. The nature of a potential opportunity is one such contingency. This particular contingency is important because a potential opportunity’s non-economic value can vary significantly across family businesses for a host of family and non-family reasons. For instance, the concept of family values often underpins the notion of community (Arregle et al., 2007; Miller & Le Breton-Miller, 2006). As such, it could be that family-run businesses act more prosocially toward the communities in which they are located (e.g., local neighborhood and/or family-oriented groups), which may or may not lead them to act less prosocially toward “outside” groups. In an entrepreneurial context, this prosocial behavior is significant as prosocial motivation could help explain
why some family firms identify and exploit specific opportunities to “do good” for some individuals/groups while foregoing opportunities to help others. That is, we can learn more about the fundamental elements of social and sustainable entrepreneurship research by gaining a deeper understanding of the family’s role in firm decision making. For instance, investigating differences among families and the influence such differences have on firm decision making is likely to lead to a richer understanding of firm actions that enable (or hinder) specific social and/or environmental outcomes.

While research has shown that family firm managers take action to promote and/or protect other family members’ welfare (Kellermanns & Eddleston, 2004; Schulze et al., 2001), it is unclear whether these same managers are driven to promote and/or protect the natural environment. For instance, entrepreneurs have been found to disengage their pro-environmental values to pursue opportunities that harm the natural environment when they have high entrepreneurial self-efficacy and face conditions of low munificence (Shepherd, Patzelt, & Baron, 2013). As this example shows, even people who have strong pro-environmental values (and who are thus expected to be good stewards of the environment) are occasionally confronted with situations that cause them to disengage their values, leading them to serve as poor environmental stewards. While many studies in the family business field have focused on the notion of stewardship, it remains uncertain what stewardship theory would predict when family business members are confronted with conflicting stewardship scenarios. On the one hand, maintaining a positive external image of the family would require family stewards to make ethical decisions (e.g., not exploiting opportunities that harm the environment). On the other hand, however, if stewardship of the firm comes into direct conflict with stewardship of the environment, the entrepreneur may decide to disengage his or her pro-environmental values to pursue an opportunity that protects the family’s interests but harms nature. Alternatively, when presented with this type of stewardship conflict, the entrepreneur (or other key decision maker) may decide to disengage his or her family values to avoid damaging the natural environment. Future research is needed to fully understand the role family plays in firm members’ disengagement of values to exploit potentially harmful opportunities as well as the conditions under which family values are disengaged to exploit certain opportunities.
SUMMARY

In Fig. 6.3, we offer a sketch of a prosocially based entrepreneurial process in a family business as a basis for guiding future research. The family business is at the intersection of the family and the business and, through its prosocial motivation, can form a belief about a potential opportunity to alleviate suffering. This compassionate response can be organized through its normal routines or through compassion venturing—the creation of either a de novo or de alio new venture. The suffering alleviated can be inside the family business (i.e., family employees and/or non-family employees) or outside the family business (i.e., non-employee members of the family or others unrelated to the business or the family). In turn, the alleviation of suffering can influence the family business and/or its prosocial motivation.

DISCUSSION AND CONCLUSION

Although there are many research opportunities at the intersection of the entrepreneurship and family business fields (see Goel & Jones, 2016; Kellermanns & Eddleston, 2006; Zellweger, Kellermanns, Chrisman, & Chua, 2012), in this chapter, we offered three potential future areas that we believe can considerably advance both fields by combining and blending constructs and relationships specific to one field with those of the other field.

First, we proposed that an entrepreneurial-opportunities perspective can be a fruitful avenue to study interactions within family businesses as well as interactions between these families and associated communities of inquiry. In addition, this perspective can shed light on how both the family business and the communities of inquiry are shaped by and shape the potential opportunities being developed. An important aspect of this research stream is that it needs to be dynamic. It seems that longitudinal data would offer great benefits for addressing the research questions outlined earlier. For example, inductive case studies may be able to provide in-depth insight into the co-evolution of families, opportunities, and communities of inquiry as well as mutual adjustments (e.g., see Gioia and colleagues’ work on identity as potential exemplars [Gioia, Price, Hamilton, & Thomas, 2010; Patvardhan, Gioia, & Hamilton, 2015]). Furthermore, since the formation of opportunity beliefs is a cognitive process that takes place in family members’ minds, experimental approaches like conjoint
Fig. 6.3  A sketch of a prosocially based entrepreneurial process in a family business
studies and verbal protocol analysis, which have been used previously to study opportunity evaluations (Grégoire et al., 2010; Shepherd et al., 2013, respectively), might provide new insights into family members’ decisions to adjust potential opportunities based on the characteristics and feedback of the community of inquiry.

In addition, we believe that future research opportunities on the topic of emotion could offer important contributions to knowledge. While both fields acknowledge the importance of emotion and have explored it in a variety of ways, blending the two fields’ diverse knowledge on the topic is likely to provide the foundation for new insights. In particular, the speculations we made regarding future research on emotional responding and on decisions to do good and/or cause harm are the most uncertain. In many ways, however, this uncertainty makes these topics so exciting. Through this future research, we have the opportunity to venture into the unknown to explore an area that could have positive implications not only for individuals, families, and organizations but also for societies at large. We hope this chapter leads to fruitful thought, discussion, and action and are eager about the possible contributions for research in the family business and entrepreneurship fields as well as at the intersection of the two.

Notes

1. The content of this section relies largely on Shepherd (2016).
2. We are in no way criticizing previous work on socio-emotional wealth when we suggest that nuances are lost when individuals’ and groups’ emotions are aggregated to the firm level; this occurs with most (if not all) psychological variables at the firm level, and we do not deny that there are benefits of investigating phenomena at the firm level. Shifting levels of analysis, however, is likely to enable new theoretical insights (Hedström & Swedberg, 1998).
3. As this research unfolds, new labels for emotion stocks at different levels of analysis may be needed. For example, if research reveals that socio-emotional wealth exists only at the firm level, we may need different labels for socio-emotional wealth at the individual, dyad, and within-firm group levels. Of course, we need more theorizing for this construct at different levels. For instance, does the socio-economic wealth of a sub-group within the family (e.g., a husband and wife) indicate that sub-group’s overall perceptions of, for example, the value of current family control or the value of their (i.e., the
husband and wife’s) control of the family firm? Unanswered ques-
tions like these represent important research opportunities. To fully
understand the micro-foundations of socio-emotional wealth,
research will likely have to reveal how differences in perceived value
by family sub-units aggregate to become a firm-level construct.
4. The content of this section relies largely on Shepherd (2016).

REFERENCES

Albert, S., & Whetten, D. A. (1985). Organizational identity. Research in
Organizational Behavior, 7, 263–295.
Aldrich, H. E., & Cliff, J. E. (2003). The pervasive effects of family on entrepre-
neurship: Towards a family embeddedness perspective. Journal of Business
Venturing, 18(5), 573–596.
Aronoff, C. (2004). Self-perpetuation family organization built on values: 
Necessary condition for long-term family business survival. Family Business
Review, 17(1), 55–59.
Arregle, J. L., Hitt, M. A., Sirmon, D. G., & Very, P. (2007). The development of
organizational social capital: Attributes of family firms. Journal of Management
Studies, 44(1), 73–95.
Astrachan, J. H., & Jaskiewicz, P. (2008). Emotional returns and emotional costs 
in privately held family businesses: Advancing traditional business valuation. 
Family Business Review, 21(2), 139–149.
Autio, E., Dahlander, L., & Frederiksen, L. (2013). Information exposure, oppor-
tunity evaluation, and entrepreneurial action: An investigation of an online user 
community. Academy of Management Journal, 56(5), 1348–1371.
Bakker, R. M., & Shepherd, D. A. (2017). Pull the plug or take the plunge: 
Multiple opportunities and the speed of venturing decisions in the australian 
mining industry. Academy of Management Journal, amj-2013.
Baron, R. A. (1998). Cognitive mechanisms in entrepreneurship: Why and when 
entrepreneurs think differently than other people. Journal of Business Venturing, 
13(4), 275–294.
Batson, C. (1998). Altruism and prosocial behavior. In D. T. Gilbert, S. T. Fiske, 
& G. Lindzey (Eds.), The handbook of social psychology (pp. 463–484). New York, 
NY: McGraw-Hill.
Berrone, P., Cruz, C., Gomez-Mejia, L. R., & Larraza-Kintana, M. (2010). 
Socioemotional wealth and corporate responses to institutional pressures: Do 
family-controlled firms pollute less? Administrative Science Quarterly, 55(1), 
82–113.
Berrone, P., Cruz, C., & Gomez-Mejia, L. R. (2012). Socioemotional wealth in 
family firms theoretical dimensions, assessment approaches, and agenda for future research. Family Business Review, 25(3), 258–279.
Boxenbaum, E., & Rouleau, L. (2011). New knowledge products as bricolage: Metaphors and scripts in organizational theory. *Academy of Management Review, 36*(2), 272–296.

Cabrera-Suárez, K., De Saá-Pérez, P., & García-Almeida, D. (2001). The succession process from a resource-and knowledge-based view of the family firm. *Family Business Review, 14*(1), 37–46.

Cardon, M. S., Foo, M. D., Shepherd, D., & Wiklund, J. (2012). Exploring the heart: Entrepreneurial emotion is a hot topic. *Entrepreneurship Theory and Practice, 36*(1), 1–10.

Carr, J. C., & Hmieleski, K. M. (2015). Differences in the outcomes of work and family conflict between family-and nonfamily businesses: An examination of business founders. *Entrepreneurship Theory and Practice, 39*(6), 1413–1432.

Casillas, J. C., Moreno, A. M., & Barbero, J. L. (2009). A configurational approach of the relationship between entrepreneurial orientation and growth of family firms. *Family Business Review. Advance online publication.*

Chua, J. H., Chrisman, J. J., & De Massis, A. (2015). A closer look at socioemotional wealth: Its flows, stocks, and prospects for moving forward. *Entrepreneurship Theory & Practice, 39*(2), 173–182.

Chrisman, J. J., Chua, J. H., & Litz, R. A. (2004). Comparing the agency costs of family and non-family firms: Conceptual issues and exploratory evidence. *Entrepreneurship Theory and Practice, 28*(4), 335–354.

Corbetta, G., & Salvato, C. (2004). Self-serving or self-actualizing? Models of man and agency costs in different types of family firms: A commentary on “comparing the agency costs of family and non-family firms: Conceptual issues and exploratory evidence”. *Entrepreneurship Theory and Practice, 28*(4), 355–362.

Cornelissen, J. P., & Clarke, J. S. (2010). Imagining and rationalizing opportunities: Inductive reasoning and the creation and justification of new ventures. *Academy of Management Review, 35*(4), 539–557.

Cruz, C. C., Gomez-Mejia, L. R., & Becerra, M. (2010). Perceptions of benevolence and the design of agency contracts: CEO-TMT relationships in family firms. *Academy of Management Journal, 53*(1), 69–89.

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

Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a stewardship theory of management. *Academy of Management Review, 22*(1), 20–47.

Delmar, F., & Davidsson, P. (2000). Where do they come from? Prevalence and characteristics of nascent entrepreneurs. *Entrepreneurship & Regional Development, 12*(1), 1–23.

De Massis, A., Frattini, F., & Lichtenthaler, U. (2012). Research on technological innovation in family firms: Present debates and future directions. *Family Business Review. Advance online publication.*
Dewey, J. (1939). Theory of valuation. *International Encyclopedia of Unified Science, 2*(4), vii–v67.

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

Discua-Cruz, A., Howorth, C., & Hamilton, E. (2013). Intrafamily entrepreneurship: The formation and membership of family entrepreneurial teams. *Entrepreneurship Theory and Practice, 37*(1), 17–46.

Donaldson, L., & Davis, J. H. (1991). Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of Management, 16*(1), 49–64.

Dutton, J. E., Worline, M. C., Frost, P. J., & Lilios, J. (2006). Explaining compassion organizing. *Administrative Science Quarterly, 51*(1), 59–96.

Dyer, W. G. (1994). Potential contributions of organizational behavior to the study of family-owned businesses. *Family Business Review, 7*(2), 109–131.

Dyer, W. G., & Handler, W. (1994). Entrepreneurship and family business: Exploring the connections. *Entrepreneurship Theory and Practice, 19*, 71–71.

Dyer, W. G., & Whetten, D. A. (2006). Family firms and social responsibility: Preliminary evidence from the S&P 500. *Entrepreneurship Theory and Practice, 30*(6), 785–802.

Eddleston, K. A., & Kellermanns, F. W. (2007). Destructive and productive family relationships: A stewardship theory perspective. *Journal of Business Venturing, 22*(4), 545–565.

Eisenhardt, K. M. (1989). Making fast strategic decisions in high-velocity environments. *Academy of Management Journal, 32*(3), 543–576.

Fiet, J. O. (2007). A prescriptive analysis of search and discovery. *Journal of Management Studies, 44*(4), 592–611.

Fitzpatrick, M. A., & Ritchie, L. D. (1994). Communication schemata within the family. *Human Communication Research, 20*(3), 275–301.

Frijda, N. H. (1994). Varieties of affect: Emotions and episodes, moods, and sentiments. In P. Ekman & R. Davison (Eds.), *The nature of emotions: Fundamental questions* (pp. 197–202). New York: Oxford University Press.

Gagné, M., Sharma, P., & De Massis, A. (2014). The study of organizational behaviour in family business. *European Journal of Work and Organizational Psychology, 23*(5), 643–656.

Gioia, D. A., Patvardhan, S. D., Hamilton, A. L., & Corley, K. G. (2013). Organizational identity formation and change. *The Academy of Management Annals, 7*(1), 123–193.

Gioia, D. A., Price, K. N., Hamilton, A. L., & Thomas, J. B. (2010). Forging an identity: An insider-outsider study of processes involved in the formation of organizational identity. *Administrative Science Quarterly, 55*(1), 1–46.

Gioia, D. A., Schultz, M., & Corley, K. G. (2000). Organizational identity, image, and adaptive instability. *Academy of Management Review, 25*(1), 63–81.
Goel, S., & Jones, R. J. (2016). Entrepreneurial exploration and exploitation in family business: A systematic review and future directions. *Family Business Review, 29*(1), 94–120.

Gomez-Mejia, L. R., Cruz, C., Berrone, P., & De Castro, J. (2011). The bind that ties: Socioemotional wealth preservation in family firms. *The Academy of Management Annals, 5*(1), 653–707.

Gómez-Mejía, L. R., Haynes, K. T., Núñez-Nickel, M., Jacobson, K. J., & Moyano-Fuentes, J. (2007). Socioemotional wealth and business risks in family-controlled firms: Evidence from Spanish olive oil mills. *Administrative Science Quarterly, 52*(1), 106–137.

Gomez-Mejia, L. R., Makri, M., & Kintana, M. L. (2010). Diversification decisions in family-controlled firms. *Journal of Management Studies, 47*(2), 223–252.

Gomez-Mejia, L. R., Nunez-Nickel, M., & Gutierrez, I. (2001). The role of family ties in agency contracts. *Academy of Management Journal, 44*(1), 81–95.

Grant, A. M. (2007). Relational design and the motivation to make a prosocial difference. *Academy of Management Review, 32*, 393–417.

Grégoire, D. A., Barr, P. S., & Shepherd, D. A. (2010). Cognitive processes of opportunity recognition: The role of structural alignment. *Organization Science, 21*(2), 413–431.

Grégoire, D. A., & Shepherd, D. A. (2012). Technology-market combinations and the identification of entrepreneurial opportunities: An investigation of the opportunity-individual nexus. *Academy of Management Journal, 55*(4), 753–785.

Gruber, M., MacMillan, I. C., & Thompson, J. D. (2008). Look before you leap: Market opportunity identification in emerging technology firms. *Management Science, 54*(9), 1652–1665.

Guzzo, R. A., & Abbott, S. (1990). Family firms as utopian organizations. *Family Business Review, 3*(1), 23–33.

Harrell, S. (1997). *Human families*. Boulder, CO: Westview.

Haynie, J. M., Shepherd, D. A., & McMullen, J. S. (2009). An opportunity for me? The role of resources in opportunity evaluation decisions. *Journal of Management Studies, 46*(3), 337–361.

Hedström, P., & Swedberg, R. (1998). *Social mechanisms: An analytical approach to social theory*. Cambridge: Cambridge University Press.

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

Jones, C. D., Makri, M., & Gomez-Mejia, L. R. (2008). Affiliate directors and perceived risk bearing in publicly traded, family-controlled firms: The case of diversification. *Entrepreneurship Theory and Practice, 32*(6), 1007–1026.

Katz, J., & Gartner, W. B. (1988). Properties of emerging organizations. *Academy of Management Review, 13*(3), 429–441.
Kellermanns, F. W., & Eddleston, K. A. (2004). Feuding families: When conflict does a family firm good. *Entrepreneurship Theory and Practice, 28*(3), 209–228.

Kellermanns, F. W., & 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., & Zellweger, T. M. (2012). Extending the socioemotional wealth perspective: A look at the dark side. *Entrepreneurship Theory and Practice, 36*(6), 1175–1182.

Kets de Vries, M. F. (1993). *Leaders, fools and imposters: Essays on the psychology of leadership*. San Francisco: Jossey Bass.

Lee, M. S., & Rogoff, E. G. (1996). Research note: Comparison of small businesses with family participation versus small businesses without family participation: An investigation of differences in goals, attitudes, and family/business conflict. *Family Business Review, 9*(4), 423–437.

Lichtenstein, B. B., Dooley, K. J., & Lumpkin, G. T. (2006). Measuring emergence in the dynamics of new venture creation. *Journal of Business Venturing, 21*(2), 153–175.

Lubatkin, M. (2007). One more time: What is a realistic theory of corporate governance? *Journal of Organizational Behavior, 28*(1), 59–67.

Lumpkin, G. T., Brigham, K. H., & 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.

McMullen, J. S., & Shepherd, D. A. (2006). Entrepreneurial action and the role of uncertainty in the theory of the entrepreneur. *Academy of Management Review, 31*(1), 132–152.

Miller, D., & Le Breton-Miller, L. (2006). Family governance and firm performance: Agency, stewardship, and capabilities. *Family Business Review, 19*(1), 73–87.

Miller, D., & Le Breton-Miller, L. (2014). Deconstructing socioemotional wealth. *Entrepreneurship Theory and Practice, 38*(4), 713–720.

Mitchell, J. R., & Shepherd, D. A. (2010). To thine own self be true: Images of self, images of opportunity, and entrepreneurial action. *Journal of Business Venturing, 25*(1), 138–154.

Morris, A. S., Silk, J. S., Steinberg, L., Myers, S. S., & Robinson, L. R. (2007). The role of the family context in the development of emotion regulation. *Social Development, 16*(2), 361–388.

Morris, M. H., Williams, R. O., Allen, J. A., & Avila, R. A. (1997). Correlates of success in family business transitions. *Journal of Business Venturing, 12*(5), 385–401.

Naldi, L., Nordqvist, M., Sjöberg, K., & Wiklund, J. (2007). Entrepreneurial orientation, risk taking, and performance in family firms. *Family Business Review, 20*(1), 33–47.
Oswick, C., Fleming, P., & Hanlon, G. (2011). From borrowing to blending: Rethinking the processes of organizational theory building. *Academy of Management Review, 36*(2), 318–337.

Patvardhan, S. D., Gioia, D. A., & Hamilton, A. L. (2015). Weathering a meta-level identity crisis: Forging a coherent collective identity for an emerging field. *Academy of Management Journal, 58*(2), 405–435.

Schulze, B., & Kellermanns, F. W. (2015). Reifying socioemotional wealth. *Entrepreneurship Theory & Practice, 39*(3), 447–459.

Schulze, W. S., Lubatkin, M. H., & Dino, R. N. (2003). Toward a theory of agency and altruism in family firms. *Journal of Business Venturing, 18*(4), 473–490.

Schulze, W. S., Lubatkin, M. H., Dino, R. N., & Buchholtz, A. K. (2001). Agency relationships in family firms: Theory and evidence. *Organization Science, 12*(2), 99–116.

Shane, S. (2000). Prior knowledge and the discovery of entrepreneurial opportunities. *Organization Science, 11*(4), 448–469.

Sharma, P., De Massis, A., & Gagne, M. (2014). Family business: A fertile ground for research on time, teams and positive organizational study. *European Journal of Work and Organizational Psychology, 23*(5), 674–679.

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

Shepherd, D. A. (2003). Learning from business failure: Propositions about the grief recovery process for the self-employed. *Academy of Management Review, 28*(2), 318–329.

Shepherd, D. A. (2015). Party on! A call for entrepreneurship research that is more interactive, activity based, cognitively hot, compassionate, and prosocial. *Journal of Business Venturing, 30*(4), 489–507.

Shepherd, D., & 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.

Shepherd, D. A., Patzelt, H., & Baron, R. A. (2013). “I care about nature, but...”: Disengaging values in assessing opportunities that cause harm. *Academy of Management Journal, 56*(5), 1251–1273.

Shepherd, D. A., Patzelt, H., & Wolfe, M. (2011). Moving forward from project failure: Negative emotions, affective commitment, and learning from the experience. *Academy of Management Journal, 54*(6), 1229–1259.

Shepherd, D. A., & Williams, T. A. (2014). Local venturing as compassion organizing in the aftermath of a natural disaster: The role of localness and community in reducing suffering. *Journal of Management Studies, 51*(6), 952–994.

Shepherd, D. A. (2016). An emotions perspective for advancing the fields of family business and entrepreneurship stocks, flows, reactions, and responses. *Family Business Review, 29*, 151–158
Short, J. C., Payne, G. T., Brigham, K. H., Lumpkin, G. T., & Broberg, J. C. (2009). Family firms and entrepreneurial orientation in publicly traded firms: A comparative analysis of the S&P 500. *Family Business Review, 22*(1), 9–24.

Siebels, J. F., & zu Knyphausen-Aufseß, D. (2012). A review of theory in family business research: The implications for corporate governance. *International Journal of Management Reviews, 14*(3), 280–304.

Sorenson, R. L. (1999). Conflict management strategies used by successful family businesses. *Family Business Review, 12*(4), 325–339.

Vilaseca, A. (2002). The shareholder role in the family business: Conflict of interests and objectives between nonemployed shareholders and top management team. *Family Business Review, 15*(4), 299–320.

Villalonga, B., & Amit, R. (2006). Benefits and costs of control-enhancing mechanisms in US family firms. *ECGI WP Series in Finance, 209.*

Williams, T. A., & Shepherd, D. A. (2016). Victim entrepreneurs doing well by doing good: Venture creation and well-being in the aftermath of a resource shock. *Journal of Business Venturing, 31*(4), 365–387.

Williams, T., & Shepherd, D. (2017). Building resilience or providing sustenance: Different paths of emergent ventures in the aftermath of the haiti earthquake. *Academy of Management Journal.* Forthcoming.

Zahra, S. A. (2003). International expansion of US manufacturing family businesses: The effect of ownership and involvement. *Journal of Business Venturing, 18*(4), 495–512.

Zellweger, T. M., & Dehlen, T. (2011). Value is in the eye of the owner: Affect infusion and socioemotional wealth among family firm owners. *Family Business Review, 25*, 280–297.

Zellweger, T. M., Kellermanns, F. W., Chrisman, J. J., & Chua, J. H. (2012). Family control and family firm valuation by family CEOs: The importance of intentions for transgenerational control. *Organization Science, 23*(3), 851–868.

**Open Access** This chapter is distributed under the terms of the Creative Commons Attribution 4.0 International License (http://creativecommons.org/licenses/by/4.0/), which permits use, duplication, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the work’s Creative Commons license, unless indicated otherwise in the credit line; if such material is not included in the work’s Creative Commons license and the respective action is not permitted by statutory regulation, users will need to obtain permission from the license holder to duplicate, adapt or reproduce the material.