

BOND UNIVERSITY

An Investigation and Behavioural Explanation of Family Business *Functioning*

A Dissertation submitted to the School of Health Sciences
for the Degree of Doctor of Philosophy

By

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TABLE OF CONTENTS

| | Page |
|--|------|
| TABLE OF CONTENTS | 2 |
| LIST OF TABLES | 7 |
| LIST OF FIGURES | 8 |
| ACKNOWLEDGEMENTS | 9 |
| ABSTRACT | 10 |
| CHAPTER 1: INTRODUCTION | 11 |
| Background | 11 |
| Summary | 15 |
| Organization of the Thesis | 17 |
| CHAPTER 2: INTRODUCING AND INVESTIGATING THE PROBLEM | 18 |
| Introduction | 18 |
| Lead-up Studies | 18 |
| <i>Lead-up Study One (Empirical Research)</i> | 19 |
| <i>Lead-up Study Two (Empirical Research)</i> | 19 |
| <i>Lead-up Study Three (Empirical Research)</i> | 19 |
| <i>Lead-up Study Four (Case Study Research)</i> | 20 |
| <i>Lead-up Study Five (Case Study Research)</i> | 21 |
| <i>Lead-up Study Six (Case Study Research)</i> | 21 |
| <i>Lead-up Study Seven (Case Study Research)</i> | 21 |
| <i>Lead-up Study Eight (Case Study Research)</i> | 22 |

TABLE OF CONTENTS (CONT'D)

| | Page |
|---|------|
| <i>A Behaviour-Focused Synthesis of the Lead-up Studies</i> | 22 |
| Research Propositions | 24 |
| Study One | 27 |
| Research Question | 27 |
| Theory Development and Hypotheses | 27 |
| <i>Hypothesis 1</i> | 30 |
| <i>Hypothesis 2</i> | 34 |
| <i>Hypothesis 3</i> | 34 |
| <i>Hypothesis 4</i> | 37 |
| <i>Hypothesis 5</i> | 37 |
| <i>Hypothesis 6</i> | 40 |
| <i>Hypothesis 7</i> | 41 |
| Method | 42 |
| Theoretical Framework | 42 |
| Research Design | 45 |
| Sample | 45 |
| Instrument | 45 |
| Data Analysis | 47 |
| Results by Hypothesis | 49 |
| Summary of Results | 57 |

TABLE OF CONTENTS (CONT'D)

| | Page |
|--|------|
| Further Analysis and Preliminary Interpretation of Generational Cohort Differences | 58 |
| Conclusion | 62 |
| CHAPTER 3: ADDRESSING THE PROBLEM | 64 |
| Introduction | 64 |
| Lead-Up Study Families Involved in Study Two | 64 |
| <i>Case One</i> | 65 |
| <i>Case Two</i> | 67 |
| <i>Case Three</i> | 68 |
| Summary | 69 |
| Study Two | 69 |
| Research Question | 69 |
| Theory Development and Hypothesis | 69 |
| Analyzing Behaviour | 71 |
| Functional Assessment | 72 |
| Valued Outcomes Analysis | 74 |
| <i>Hypothesis 8</i> | 76 |
| Research Design | 76 |
| Data Analysis | 78 |
| Results | 79 |

TABLE OF CONTENTS (CONT'D)

| | Page |
|--|------|
| <i>Case One</i> | 79 |
| Quantifying Behaviour Change Case One | 83 |
| <i>Case Two</i> | 86 |
| Quantifying Behaviour Change Case Two | 90 |
| <i>Case Three</i> | 93 |
| Quantifying Behaviour Change Case Three | 98 |
| Summary of the Effect of VOA Intervention on the Three Cases | 101 |
| Conclusion | 101 |
| CHAPTER 4: DISCUSSION, LIMITATIONS AND FURTHER RESEARCH | 103 |
| Introduction | 103 |
| Review of Results | 103 |
| Research Contribution: Linking the Two Studies | 104 |
| Implications for Family Business | 107 |
| Limitations of the Research | 108 |
| Threats to Statistical Validity | 107 |
| Threats to Construct Validity | 108 |
| Threats to External Validity | 109 |
| Threats to Internal Validity | 110 |
| Further Direction | 111 |
| Conclusion | 111 |

TABLE OF CONTENTS (CONT'D)

| | Page |
|---|------|
| REFERENCES | 113 |
| Appendix A: Aspen Family Business Inventory | 126 |
| Appendix B: Explanation Statement | 131 |
| Appendix C: Case One: Excerpts from Interview Transcripts | 132 |
| Appendix D: Case Two: Excerpts from Interview Transcripts | 135 |
| Appendix E: Case Three: Excerpts from Interview Transcripts | 138 |

LIST OF TABLES

| No. | Title | Page |
|-----|---|-------|
| 1 | Research Propositions | 25-26 |
| 2 | Summary of Hypotheses | 42 |
| 3 | Aspen Family Business Inventory (AFBI) | 46 |
| 4 | Aggregate Mean and Standard Deviation Results and Reliability of the AFBI | 47 |
| 5 | Individual Growth and Development Between Cohort Differences | 49 |
| 6 | Business Direction and Planning Between Cohort Differences | 50 |
| 7 | Progressive Management Between Cohort Differences | 51 |
| 8 | Family Participation Between Cohort Differences | 52 |
| 9 | Family Business Boundary Between Cohort Differences | 53 |
| 10 | Ownership and Management Continuity Between Cohort Differences | 54 |
| 11 | Communication and Conflict Between Cohort Differences | 55 |
| 12 | Summary of Hypotheses 1-7 Results | 56 |
| 13 | Individual Growth and Development Factor Analyses | 59 |
| 14 | Business Direction and Planning | 61 |
| 15 | Valued Outcomes Analysis Explanation | 81 |
| 16 | Case One: AFBI Individual and Growth Development Scale Responses | 84 |
| 17 | Valued Outcomes Analysis Dimensions Applied to Case Two | 88 |
| 18 | Case Two: AFBI Individual and Growth Development Responses | 91 |
| 19 | Valued Outcomes Analysis Dimensions Applied to Case Three | 95 |
| 20 | Case Three: AFBI Individual and Growth Development Responses | 99 |

LIST OF FIGURES

| No. | Title | Page |
|-----|---|------|
| 1a | The Family Business: The Accepted Framework | 15 |
| 1b | The Family Business: An Individual Needs Approach | 15 |
| 2 | The Evolutionary Theory of the Firm | 43 |
| 3 | Diagrammatical Representation of Study One | 46 |
| 4 | Operations Involved in Reinforcement and Punishment | 71 |
| 5 | Study Two Data Collection Process | 78 |
| 6 | A-B-C Framework Explanation Case One | 80 |
| 7 | Self-Report Functioning Case One | 85 |
| 8 | A-B-C Framework Explanation Case Two | 87 |
| 9 | Self-Report Functioning Case Two | 92 |
| 10 | A-B-C Framework Explanation Case Three | 94 |
| 11 | Self-Report Functioning Case Three | 100 |

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ABSTRACT

This research investigated the causes of behavioural difficulties among family businessers in two studies. Study one adapted the evolutionary theory of the firm to the family business context in an empirical study that involved 370 family businessers from 46 families. The study found that: (1) stakeholder cohorts within the family (employed by the business versus not employed by the business; owners of stock versus non stock owners; related to founder versus not related; male versus female) were significantly divided on business direction and planning, the introduction of new routines to the business and various roles, habits, norms and codes that made up the collective knowledge base of the firm; (2) the founding generation reported significantly higher levels of individualism and self-belief than second and third generation family businessers; and (3) the founding generation differed significantly to the third (but not the second) generation on business direction and planning related matters.

The second study was a single case design study involving two second-generation family businessers and one third-generation family businesser from three separate family businesses. Using the Skinnerian theory-based technique of functional assessment and the recently formulated Valued Outcomes Analysis (VOA) each individual's behaviour was analyzed after an initial interview. From this analysis, causes of behaviour were derived and presented to each participant with suggestions for behaviour change. As a result of adopting the suggestions, each individual reported improved functioning at a second interview conducted after a five-week lapse. It was found that individual functioning in family business could be improved by establishing (1) the function of the behaviour, and (2) the valued outcomes that drive the behaviour. The findings of the two studies are linked, limitations of the research are addressed and future projects discussed.