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14. Resource-based Theory and the Family Business

Per Hansson

1. Introduction

Explaining why firms show differences in their capability for rent generation, growth and survival is one of the big questions for researchers in business and strategic management. The resource based view theory (RBV) has, during the past decades, emerged as one of the most influential paradigms in the field. This chapter starts out with an introduction including a brief description of the background of RBV, where it comes from and how it has been used in general strategic management research. The second section provides an overview of the theory and its origins, fundamental assumptions and building blocks. The third section discusses how the theory can be linked to family business and why the theory is relevant to the family business field. This section connects the main ideas in the theory and the primary characteristics of family businesses. The end of the section offers an overview of previously published papers on family business using this theory. The fourth and final section discusses ideas for future research using this theory in the study of family businesses.

Scholars have embraced the RBV because it addresses a central interest: the internal capabilities of the firm (Robinson, 2008). The central perspective focuses on the resources and capabilities controlled by a firm, which underlie persistent performance differences among firms (Peteraf & Barney, 2003). The internal perspective is in clear contrast to other models, such as industrial organisational theory, which have a more external focus that emphasises the industries and markets. The potential of RBV for the study of family business appears to be underexploited. Thus, the purpose of this chapter is to provide a picture of the resource based view of the firm as theory for explaining the firm's way of managing resources to gain competitive advantage and success.

The resource based view shifted attention from a market perspective to a firm perspective when trying to explain differences in firm performance. From the start, with Edith Penrose and *The Growth of the Firm* in 1959, an ongoing process of development lasted over 20 years until the idea of inter-firm differences in resources as a factor explaining firm success was presented. Specifying a resource profile for a firm made it possible to find the optimal product-market activities (Wernerfelt, 1984). RBV, as it is seen today, is primarily based on the works of Barney (1991). Barney is regarded as the first scholar to formalise the resource based literature into a theoretical framework (Newbert, 2007, p. 123).

Since the resource based view of the firm (RBV) was popularised by Barney (1991), it has become one of the most dominant paradigms in strategic management. The theory has also been used with a variety of topics within the field of family business. A few examples are entrepreneurship (Aldrich and Cliff, 2003), organisational social capital (Arregle et al., 2007), corporate governance (Carney, 2005), internationalisation (Graves and Thomas, 2008), franchising (Chirico et al., 2011), wealth creation (Sirmon and Hitt, 2003) and organisational culture (Zahra et al., 2004). In this chapter, it will not be possible to give a full overview of all of these connections

In the RBV, most authors consider the resources of family businesses to be distinct from those of their non-family counterparts. Some proponents, like Habbershon and Williams (1999), even argue that families themselves are a source of valuable, rare, inimitable, and non-substitutable resources. These resources can, in turn, lead to family specific competitive advantages and, consequently, to superior organisational performance (Habbershon et al., 2003). The next section provides an overview of the theory, its origins, fundamental assumptions and building blocks.

2. Overview of the theory

The development of RBV was a fragmented process (Fahy, 2000) with contributions from various authors and a number of different disciplines. These contributions include principles from major research streams, such as organisational economics paradigms, mainstream strategy research and industrial organisation (Mahoney & Pandian, 1992). The early sources were focused on the distinctive resource profiles of heterogeneous firms and why some firms consistently outperform others. Some of the most important research shaping RBV is rooted in the research on distinctive competencies, Ricardian economics, and the theory of firm growth proposed by Penrose (1959). Concepts from these historical works influenced the fundamental assumptions of the model (Barney, 2002).

Penrose presented her book, *The Theory of the Growth of the Firm*, in 1959. For many scholars, this book is considered to be the intellectual foundation for modern RBV. Penrose viewed the firm as a pool of interchangeable resources that are organised in an administrative framework. Penrose recognised the importance of individuals' behaviour and learning as important functions in the growth process of the firm. Managerial limitations were identified as a primary constraint to firm growth (Rugman & Verbeke, 2002). This perspective contrasted with the neoclassical theory of the firm. Its reasoning is different from the, at the time, more established 'outside-in' perspective, because even the internal attributes of the organisation had a crucial influence on the firms' future profitability. Much of Penrose's understanding of firm profitability rested with disequilibrium-oriented concepts, such as entrepreneurship, learning, flexibility, and change (Foss 1997). The common thread among the described literature is a focus on the distinctive resource profile of heterogeneous firms and the question of why some firms outperform others (Robinson 2008).

The emergence of the modern RBV

The modern resource-based view was created through dialogues among various economists and strategy scholars around the 1980s and early 1990s. At the time, there was growing dissatisfaction with the industrial organisational model of strategy that was prominent at the time. The criticism was primarily aimed at the organisational model, which suggested that a firm's profitability was solely determined by its external environment. As a result, new concepts were introduced. One of the most important concepts stemmed from a paper by Lippman and Rumelt (1982) that introduced "uncertain imitability" as a way to explain the origin and persistence of inter-firm differences in efficiency. Uncertain imitability primarily results from ambiguities in the causal connections between actions and superior performance (Lippman & Rumelt, 1982). The model they constructed shows how the heterogeneous differences across firms can provide opportunities to generate significant rents. These authors also stressed how factor immobility could result from enforceable rights to the exclusive use of a resource, such as a patent. Because classical theory acknowledged the influences of market power and scale economies when explaining inter-firm differences in performance, the findings of Lippman and Rumelt (1982) were at the time quite counterintuitive.

The RBV theory was named by Birger Wernerfelt in his article "Resource based view of the firm" (1984). The seminal contribution in this article was Wernerfelt's view of firms in terms of their resources instead of their product markets. He also developed economic tools for examining and managing the relationship between firm resources and profitability. This work was extended by Rumelt (1984) and Barney (1986), who focused on the analysis of firms' internal resources and their link to competitive advantage. Rumelt (1984) outlined a strategic theory of the firm that contained many ideas that later were encapsulated by the RBV, including the definition of the firm as a bundle of resources that vary in value depending on the context in which they are utilised (Barney & Arikan, 2001).

Barney (1986) introduced “strategic factor markets”, meaning the markets in which necessary firm resources are traded. Recognising that strategic factor markets are imperfect, it was proposed that above normal returns can be earned by firms that are lucky or have superior knowledge of the value of a particular strategy and that can acquire resources at a lower cost than their discounted net present value to act as a source of rent.

Dierickx and Cool (1989) responded to Barney’s (1986) assumption that all strategic resources can be bought and sold by arguing that strategic assets, such as firm reputation, trust, and customer loyalty, can only be built and accumulated within the firm and cannot be sold and bought within strategic factor markets. The importance of strategic assets that are inimitable, non-substitutable and advanced was also outlined by Dierickx and Cool (1989) as factors that influence the inimitability of firm assets. Later, in 1991, Barney extended the ideas regarding resource attributes from Dierickx and Cool (1989), developing the RBV into an inclusive framework that suggests the necessary indicators for firm resources to create a “competitive advantage”. Competitive advantage was, in this context, defined as “ the higher levels of performance that accrue to a firm with resource advantages, due to the efficiency to these firms in exploiting those advantages” (Barney, 1991, p. 116).

What is a resource? The central focus of RBV is the exploitation of firm resources to gain a competitive advantage (Wernerfelt, 1984; Barney, 1991). It is most likely impossible to make a complete list of resources given the wide range of definitions in the extant literature (Galbreath, 2005). Given the adoption of Hall’s (1992) approach, for the purposes of this chapter, the resource construct is conceptualised as follows:

1. Tangible resources that include (a) financial assets (Grant, 1991) and (b) physical assets (Grant, 1991).

2. Intangible resources that are assets, which include (a) intellectual property assets (Hall, 1992), (b) organisational assets (Barney, 1991; Fernandez et al., 2000), and (c) reputational assets (Roberts and Dowling, 2002).
3. Intangible resources that are skills, which include capabilities (Hall, 1992; Amit & Schoemaker, 1993; Day, 1994).

The RBV underscores the fact that resources are heterogeneously distributed across firms and that firms gain sustained competitive advantage by accumulating resources that are valuable, rare, inimitable, and non-substitutable (VRIN) (Barney, 1991). Resources and capabilities are considered to be valuable when they exercise options or neutralise threats from the market.

The resource must be *rare* among the firms' competitors, meaning that the valuable resource cannot be possessed by most of the other competing firms. Further, the resource must be *imperfectly imitable* in that it is resistant to duplication by competitors. Fourth and finally, the resource must *not have substitutes*, in that strategically equivalent resources cannot be common or easily imitated among other firm competitors.

Two assumptions were outlined in the article by Barney (1991). The first assumption, *firm resource heterogeneity*, is drawn from Penrose (1959), who maintains that there are systematic differences across firms within an industry with the respect to the resources that they control. The second assumption, *resource immobility*, is built on the literature from Selznick (1957), who assumes that resources are relatively stable across firms so that heterogeneity can be endured. In the same paper (Barney 1991), the resources are categorised into different types of capital (Robinson 2008), namely,

1. Physical capital (e.g., property, physical technologies)
2. Human capital (e.g., know-how and the experience of employees)
3. Organisational capital (e.g., organisational culture, property rights)

As a probable response to other authors, such as Black and Boal (1994), who argued that the *dynamics of resource creation* had been overlooked in previous works on RBV, Barney (1997) modified the previous VRIN framework to become the VRIO framework. Barney repeated that a firm's potential to achieve a competitive advantage depends on the value, rarity and imitability of its resources and capabilities. Non-substitutability was now seen as a part of "inimitability". What Barney (1997) added was that for a firm to take advantage of its potential, it must be *organised* in a way that allows it to exploit its resources and capabilities.

Other important contributors to resource based thinking are Teece, Pisano, and Shuen (1997). These authors drew on the historical works on RBV (Nelson & Winter, 1982; Penrose 1959) to present a new approach, the process oriented "*dynamic capabilities*". The framework identified the dimensions of firm specific capabilities and how combinations of competences and resources were developed, deployed and protected in an environment of rapidly changing technology (Teece et al., 1997). Their work focused on identifying and organising the technological, organisational, and managerial processes of the firm, especially in environments with rapid technological change.

Another perspective was introduced by Foss (1998), who highlighted that "it is not really the individual resources, but rather the way resources are clustered and how they interact that is important to competitive advantage" (Foss, 1998, p. 143). The clustering and interplay of resources suggests that the uniqueness or rarity of a resource may not be as important as the resource's ability to fit into a system (Foss, 1998).

The contribution from the development of different perspectives is the view of the firm as a dynamic organisation, where the evaluation and management of resources are ongoing processes due to changes both inside and outside the firm. Most seminal resource-based works have shared assumptions in that they develop a theory of firm profitability based on the

condition that resources and capabilities can be heterogeneously distributed across firms and that these differences can be permanent (Barney, 2001)

The next section links the theory to family business and offers a view as to why the theory is relevant to the family business field. It connects the main ideas in the theory to the primary characteristics of family businesses. The end of the section provides an overview of the most cited published papers on family business using this theory.

3. The connection between RBV and the family business context

The resource based view is a theory in the field of strategic management. Examining family business research, there is a minority of family oriented theories relative to business-oriented research over the past 25 years (James et al., 2012). Given that perspective, how can the resource based view be linked to family business and why is the theory relevant for use in the family business field?

In most economies, family firms are the most common way of organising a business. Despite their commonness, family businesses have only recently emerged as a topic of management research (Bird et al.; 2002; Yu et al., 2012). One reason for this delay, noted by Rau (2014), is that there is no unified perspective on what constitutes a family business nor is there a ‘theory of the family business’. One key question here is what differentiates a family business from other profit seeking organisations? Chrisman et al. (2003, p. 359) emphasise the family’s important influence on decision-making and the operations of the firm. Family influence can also be looked at as a continuous variable (Klein, Astrachan, & Smyrnios, 2005); how does this influence enter the business, play out within the business, and affect the output of the firm?

RBV based works must answer the underlying question: does the family influence make a business different from its non-family counterparts. If the answer is that family influence does

makes a difference, then, and only then, there is a need for distinct theoretical grounding on the strategy and management of family firms. If the opposite is true, meaning that there are no differences, it suggests that the family business field as it has developed until now lacks legitimacy (Rau, 2014). Early works on family firms assume that family influence constitutes a difference, but without explicitly arguing why (Beckhard & Dyer, 1983; Lansberg, 1983). More recent studies offer a clearer rationale for difference (Arregle et al., 2007; Carney, 2005; Chrisman et al., 2009). In the following sections, we will look further into some of these differences.

3.1. Familiness

The starting point for the RBV in the family business field was the seminal paper by Habbershon and Williams (1999) with the title “A resource based framework for assessing the strategic advantages of family firms” (Rau, 2014). In that paper, it is suggested that “the bundle of resources that are distinctive to a firm as a result of family involvement are identified as the ‘familiness’ of the firm” (Habbershon & Williams, 1999, p. 1). Familiness is here, in a first step, explained as the bundle of idiosyncratic resources of the firm. Familiness influences the capabilities of the respective firm, which leads to a competitive advantage that, finally, is transformed into performance.

The second step from Habbershon et al. (2003) was suggesting a 'unified system to explain family business performance’. This suggestion is built on the notion of ‘distinctive familiness’, proposing that the resources and capabilities of the family unit, the individual members, and the business entity interact and add to the overall performance of the business. An overall purpose for the family firm is assumed to be the creation of trans-generational wealth, leading to rent generation as a function of resources and capabilities (Rau 2014). Rau (2014, p. 327) describes the prediction of the theory: “that the bundle of distinct resources of the firm stemming from the family’s involvement will lead to competitive advantage and

finally to superior performance”. The work of Habbershon et al. (1999, 2003) has been influential but also criticised for ignoring the negative potential of familiness (Rau, 2014). Examples of negative potential are nepotism, lack of professionalism and feuding families. Innovative capacity and reciprocal altruism are described as family specific resources by Eddleston et al. (2008). According to Eddleston et al. (2008, p. 41), innovative capacity and reciprocal altruism stem from interactions between the family, its individual members and the business. In their research, they show that “family firms that invest in their innovative capacity and foster altruistic family relationships are able to build a competitive advantage”. Further, Habbershon and colleagues inspired scholars to ask whether there are resources and capabilities that are, in fact, rooted in the family of the family business, that make those firms unique and that constitute a family-based competitive advantage (Rau, 2014).

Carney (2005) was followed by Le Breton-Miller and Miller (2006), who propose that there are drivers of family business longevity that are related to family influenced resources. Examples of these are investment in a substantive mission and its required capability, investment in people, especially in knowledge creation and preservation, and investment in enduring broad-based relationships with external stakeholders. Rau (2014) suggests that family firms can build a competitive advantage based on family-specific resources and capabilities, especially when they capitalise on their long-term focus, which is something that non-family firms usually cannot do.

Social capital is considered to be an especially important resource that makes a positive contribution to firm performance (Carney 2005). Pearson et al. (2008) highlight the need to clarify the ‘family’ in RBV, making attempts to explain the role of family specific resources in generating a competitive advantage by employing social capital theory and distinguishing between the following:

- A. Structural dimension (e.g., network ties and appropriable organisation)
- B. Cognitive dimension (e.g., shared vision and shared language)
- C. Relational dimension (e.g., trust, norms, obligations, and identifications)

The focus is on systematic interaction and involvement: “antecedent conditions to the creation of social capital include (1) time/stability; (2) closure; (3) interdependence; and (4) interaction” (Pearson et al., 2008, p. 960).

Rau (2014) states that there is still a lack of clarity regarding whether the resources and capabilities that constitute familiness are developed in the family and transferred to the business or whether they are developed within a business unit in which the family plays a pivotal role. In studies, such as Wu’s (2008), there is support for the idea that the relationship between dimensions of social capital and competitive improvement are mediated by information sharing. In my point of view, this study highlights the question of why it addresses family firms instead of all firms. In other words, does family influence in this setting make a significant difference (Rau 2014)?

3.2. A resource management model for wealth creation

Recent developments in the field include the work of Sirmon and Hitt (2003), who provide one of the most encompassing theoretical models and a starting point for the development of the first family specific RBV model. Sirmon and Hitt (2003) present three stages – the resource inventory component, the resource bundling component, and the leveraging component – leading to competitive advantage and wealth creation. This work led to a theory of the management of firm resources (Sirmon et al., 2007) and parts of it were further refined to explain the development and extension of social capital in family firms (Arregle et al. 2007). A further refinement was presented by Sirmon et al. (2011); it suggests that whether resources and capabilities lead to competitive advantage is, at least partly, due to

management's ability to appropriately orchestrate the respective resources (Sirmon et al., 2011). Sirmon and Hitt (2003) focus on what they call focal family firms and present five distinct resources. The five resources presented were human capital, social capital, patient financial capital, survivability capital and governance structure and costs. Rau (2014) notes that they were the first to explicitly not only show the positive potential of these resources but also to show some potentially negative consequences. One example of these negative consequences is the difficulty in attracting and retaining highly qualified managers with respect to human capital. Rau (2014) notes that this is the first time that scholars have looked into the 'black box' of value creation. This work was later extended to a "Dynamic resource management model of value creation" (Sirmon et al. 2007) for all types of businesses, not only family firms. The effective management of firm resources can be seen as a necessity for competitive advantage and value creation. A search in Scopus for the keywords 'family firm', 'family business', 'resource based view', 'RBV' and 'RBT' returned a total of 37 documents. In Table 14.1, the ten most cited are commented upon, with a focus on their purpose, methodology and primary findings/conclusion.

Table 14.1. The application of RBV in family business research

4. Ideas for future research

The first part of this section addresses the question "How can drawing on RBV theory expand family business research?" Traditionally, RBV focused its attention on the business unit and its outcome; yet, family could also be seen as a distinct organisation in itself. The second part of this section tries to answer the following question: "How can the family business context expand the general development of RBV theory?" In this section, I note the importance of developing an understanding of the interaction of financial and non-financial goals and of how to orchestrate resources using RBV theory. I also describe the appropriate research methods for identifying unique, firm-specific assets that can result in sustained profitability.

This ability is especially important in family business, although this development also contributes to RBV in general.

4.1. RBV theory for expanding family business research

The central focus of the RBV theory is on the internal resources and capabilities controlled by a firm that underlie the persistent differences among firms and their link to the firms' competitive advantage, profitability and survival. For family firms, the RBV is useful for explaining, developing, bundling and leveraging resources to gain a competitive advantage over other family firms or non-family firms. The RBV regards the family as an organisation whose competitive advantage over other organisations in regard to governing a business is based on their respective resources and capabilities and their management, which opens a path for promising future research.

One overall question that must be answered is whether family influence makes a difference for the family firm. Most papers drawing on the RBV in the family business field focus their attention on the business unit and its outcome. One way to expand family business research by applying the RBV is to study the family as an organisation, how it impacts the business and is affected by the business, and the enablers and constraints to the resource orchestration process in families and businesses. There is an open field available for research and empirical work devoted to the competitive advantage of business families, rather than firms, stemming from their resource management. Currently, there are few conceptual or theoretical works addressing the family unit as a specific organisation and applying the RBV (Rau, 2014). This suggestion also relates to using the RBV theory to expand family business research. Seeing the family unit as a unique organisation, it is important to recognize their heterogeneous financial and nonfinancial goals and time horizon. Arregle et al.'s (2007) work is one example of a study that takes on the family as an organisation. As Rau (2014, p. 327) suggests, a "future research avenue would be to open the black box 'family' by, e.g., defining the

different dimensions on which the ‘organisation family’ vary and how the resulting different configurations of family impact family business behaviour”.

4.2. Using the family business context to expand the general development of RBV

Rau (2014, p. 335) states that “devoting work to RBV in family firms thus might open paths to better understanding the conditions under which resources and capabilities can be managed for the long-term success and consequently survival of firms at large”. Family business research using the RBV provides an opportunity to understand the interaction of financial and non-financial goals and how to ‘orchestrate’ resources to secure a balanced relationship between the two types of goals. Studies up until now have primarily concentrated on the business-outcome relationship; family specific variables, such as reciprocal altruism, are ignored. That said, we can conclude that the RBV offers a number of useful and empirically grounded insights into multilevel social processes through which family influence is transferred into and integrated within and across family firms. By adding ‘family’ to the RBV, it becomes more legitimate to include resources, such as social capital and its effect on, e.g., organisation and management. It is also important to engage with the influence of non-economic goals stemming from the family’s values on the economic outcome of the firm. The socioemotional wealth perspective can be developed into a fruitful complement for a better understanding of the non-financial considerations in resource management in family business.

Many studies have employed large-scale, multi-industry samples using generic resource sets. This scale could make it hard to tease out the unique and hard-to-copy resources that are the heart of competitive advantage. Approaches reliant on averaging methods will only uncover the situation for the average, representative firms and will not identify those unique, firm-specific assets that can result in sustained profitability. Amit and Shoemaker (1993) suggest the importance of using *single industry* studies in RBV. Rouse and Daellenbach (1999) argue

that *clustering firms* according to similarities is an important step in RBV research because the commonalities identified between firms within a single industry can better allow sources of advantage to be teased out. A focus on particularly high performance firms can be a way to better uncover important sources of advantage. In my own research, I am planning to study the problems of growth in the often family owned and family managed businesses of the farm sector. The farm is often a relatively small firm where the family and the resources they control are quite specific and even unique. In this industry, there is a need for a theory to explain the firm's way of managing resources to gain competitive advantage and success. It is also interesting to study family specific competitive advantages in small operations with special attention to generational and long-term questions. To study these advantages, I believe it is suitable to use both qualitative and quantitative approaches and the theory of the RBV. It would be interesting to build the research based on the effective management of firm resources as a necessity when striving for competitive advantage and value creation.

Another interesting research approach is sustainable competitive advantage combining the institutional and resource based views (Oliver 1997). I suggest that a firm's sustainable advantage depends on its ability to manage the institutional context of its resource decisions. This possibility is especially interesting when studying small firms in rural areas, such as rural entrepreneurs and farms.

5. Conclusion

In the general development of the RBV theory, focus has been on the outcome of the resources, e.g., firm profitability. Because the family firm is the most common way to organise a business, there is interest not only from scholars but also from families, managers and the industry that works with family businesses to understand more about the conditions under which resources and capabilities can be managed for the long-term success and

consequently survival of firms. That said, studies examining the resource/competitive advantage link only qualify as a family business study if the family involvement makes a difference. It is necessary to ask why the study examines a sample of family firms, because it is important to identify those unique, firm-specific assets that can result in sustained profitability to make the research interesting for practitioners and to contribute to the firms by providing effective implications. Family business research offers a way to further investigate resource orchestration and the development of competitive advantage and wealth creation and, through that, develop RBV. Scholars of the RBV and family business should continue to strive to develop a RBV theory of the family firm. Such a theory would benefit both the development of the RBV and the family business research. One way to develop this branch of the theory is to put more focus on resource inventory, bundling, and leveraging as a part of a dynamic resource management model of wealth creation.

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Table 14.1: Application of RBV in family business research

Authors	Purpose	Methodology	Findings/conclusion
Habbershon & Williams (1999)	The purpose of the paper is to develop a theoretical basis for the exposition of the relationships among individual family firm behaviors, the advantages of being family-controlled, and their distinctive performance capabilities.	Study of literature of research underway on future competitive advantage on firm level.	A theoretical foundation is offered on which to assess the behavioral social phenomena within family firms and demonstrated how these could be translated by the firms into competitive advantage.
Chrisman, Chua & Sharma (2005)	The purpose of this article is to take stock of the recent progress made in Strategic management based on the work of Sharma, Chrisman, and Chua (1997) and to propose future directions.	Literature review	The early stages of development of a strategic management theory of the family firm. The studies cited in this article have contributed toward this development but much interesting research remains to be done
Zahra, Hayton & Salvato (2004)	The study examines the association between four dimensions of organizational culture in family vs. non-family businesses and entrepreneurship.	Using data from 536 U.S. manufacturing companies	The study shows the strategic importance of organizational culture for family businesses, by presenting evidence of the relationship between four key cultural dimensions and entrepreneurship. These differences are significantly stronger in family firms than in non-family businesses.
Dyer Jr. (2006)	The purpose is to provide an explanation for the contradictory evidence in the literature regarding the performance of family-owned firms	Literature review	The theoretical framework and typology presented suggest that there are several different types of family firms, some of which have unique assets that allow them to compete successfully while others have governance practices that incur significant agency costs, which, in turn, may cause them to falter in the marketplace.
Eddleston, Kellermanns, Sarathy (2008)	The paper considers how family- and firm-specific resources (reciprocal altruism and innovative capacity) contribute to family firm performance.	A mail survey of 232 privately held family businesses was obtained from the family business centers and associated contacts at two universities in the northeastern USA.	Resources do matter to family firms. Family relationships can be managed to yield a competitive advantage as can firm-specific assets such as innovative capacity. Further, family firms must take into account their environment and carefully manage their strategic planning process to gain the full benefit of their resources.

Chrisman, Kellermanns, Chan & Liano (2010)	This article seeks to identify specific works that have been most influential in the recent development of the field of family business as measured by citation counts.	A bibliographic selection of recent articles in the area of family business	This article contributes to the literature in three ways. Through a citation analysis of family business studies published over a period of 6 years in four journals that publish the bulk of that family business research. Providing a summary of the findings and intellectual contributions of those articles. Searching for common themes among those past works and spot directions for future research that appear particularly promising.
Tokarczyk, Hansen, Green & Down (2007)	The article, examines the manner in which the “familiness” construct within the resource-based view of the firm translates to formation of a competitive advantage	Qualitative Case-Based involving interviews with 21 managers at 8 family owned and managed businesses.	Familiness does play a positive and significant role in the overall long-term financial success of family businesses found support for the idea that familiness by virtue of multiple inherent distinct qualities and resources is positively associated with creation of an environment that promotes a market-oriented culture, a culture that has been shown to be positively related to firm performance.
Sirmon, Arregle, Hitt & Webb (2008)	The investigation of family involvement focuses on family influence as opposed to family control. Strategic actions in response to threats of imitation.	Face-to-face interviews with CEOs and computer aided questionnaires	Results show that R&D investment and internationalization actions mediate the relationship between imitability and performance. However family-influenced firms are less rigid in their responses to such threats, reducing R&D and internationalization significantly less than firms without family influence.
Craig, Dibrell & Davis (2008)	The research question investigated here: How does the promotion of family-based brand identity influence competitive orientation (customer versus product) and firm performance in family businesses?)	Literature review and using Salant and Dillman’s (1994) mail survey approach.	The thrust of this research has been to show how promotion of the family-brand image can have a significant impact on the performance of small and medium-sized family businesses. Family brand building should be incorporated as a far more salient and meaningful component in generating positive customer response (growth and profitability).
Chang, Memili, Chrisman, Kellermanns & Chua (2009)	This study develops and tests a model about the influences of family social capital on venture creation.	The research design consisted of a questionnaire aimed at participants in a small business management course.	Results indicate that family social capital, measured as family support, contributes to venture preparedness and the start-up decision, suggesting that it has both a direct and an indirect influence on venture creation.