To be or not to be a Family Firm

An Exploration of Identity Management in Business Families

Albertha J. Wielsma
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Albertha Wielsma
Abstract

This dissertation comprises of a cover and four separate articles, which, together, aim to advance understanding of identity processes in family firms, specifically regarding the connection of family and firm identity. This connection can have advantages and disadvantages for both the family and the firm. However, identities, whether on individual, group or organizational level, are not static, so there is no reason to assume that the connection between the identities in family firms is static.

With the goal to explore how and why business families manage the identity connection between family and firm, a longitudinal case study was conducted in which 13 family firms in the hospitality sector in the Netherlands participated. The analysis is anchored in the related theoretical concepts of identity and reputation and literature from the field of psychology.

The review of the family firm literature in paper 1 shows that reputation can be seen as a key construct from various perspectives and that it is strongly connected to family firm literature about identity, goal setting, and the behavior of family firms. The empirical findings in paper 2, 3, and 4 show that a family firm identity, and the maintenance of the connection between family and firm, can have a profound effect on identity processes on individual, family and firm level. Perceived incongruences within and between these levels are incentives for owners to renegotiate how these levels are connected, although this does not have to be a conscious process. This renegotiation can include a change in identity to restore congruence. Perceptions about both external and internal stakeholders play a very important part in the degree to which and the way in which owners connect the family identity to the firm identity. Six interrelated dimensions of identity connection management were identified.

The dissertation contributes to the family firm literature by offering explanations for the management of the identity connection on the level of firm, family and individual family members and to the corporate communications literature by highlighting the influence of the family on communication decisions and vice versa.
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**Abbreviations**

B2B: Business to Business
CDT: Cognitive Dissonance Theory
CED: Central, Enduring and Distinctive
CSR: Corporate Social Responsibility
GST: General Systems Theory
ICM: Identity Connection Management
RBV: Resource Based View
SEW: Socioemotional Wealth
SIT: Social Identity Theory
SME: Small to Medium-sized Enterprise
Part I Cover
To solve a riddle

I was born and raised within a small family business. Business activities took place at home, so from a very early age my siblings and I were used to the presence of employees, clients and other business relations. We served them coffee or tea and naturally we picked up the company phone when our parents were away. My three siblings all chose an education that prepared them for a career in business. I chose to pursue a career in education. Despite, or perhaps because of this background, I became only aware of the particular phenomenon of family firms, and the research field focusing on this phenomenon, little over 10 years ago.

My initial research interest in family firms concerned their reputation, that is, whether family firms use their family firm nature for reputational management purposes, how different types of stakeholders perceive family firms, and how this affects their behavior toward family firms. This interest was triggered by the rapid growth of all kinds of communication platforms that present an opportunity to interact with stakeholders. However, they also diminish the control a company has over its own messages and over content created by third parties as well as over the speed at which this type of information is distributed (Etter et al., 2019; Kaplan & Haenlein, 2010). The involvement of a family in a firm, as I reasoned, would make this even more complex because individual family members use these same communication platforms for their own private messages. My interest in reputation made me wonder how this concept had been approached in the family firm research field. A literature review of this topic led to the first paper of this dissertation, which was published as a chapter in 2015 (see Part 2 for Welsma, 2015, “Corporate reputation and the family business”).

After my investigation of the approach to reputation in family firms research, I turned to an empirical approach, as I expect many PhD candidates do as a next step. I gained access to one of the oldest family firms in the country for the purpose of studying how they manage their reputation, that is, account for it in their strategic and day-to-day decisions and actions and what the role of the family is in this reputational management. Nothing I had read at the time, had prepared me for their—sometimes chilling—story of familial pressures, childhood frustration, adulthood cooperation and conflict, self-doubt, love, and loss, all related to ownership of the firm. It was fascinating. It showed me in depth what the frequently used phrase in family literature of “inextricably connected identities” of family and firm can actually mean in practice for the people involved. As it sparked my interest in the identity connection of the family and the firm, it turned my attention somewhat away from reputation. Not that I had so far ignored the concept of identity, but I had considered it predominantly for its role as a basis for reputation. Although identity and reputation are strongly interlinked concepts, my growing interest in identity transcended that role. As a result, paper 2 focuses on the identity dynamics of a particular business family, more specifically, their efforts to keep the family and firm connected across
generations and the effect of this on the identity of the owning family and individual family members. I submitted this paper to a special issue of Journal of Family Business Strategy about marketing and branding in family businesses and was fortunate enough to have it accepted (see Part 2 for Wielsma & Brunninge, 2019).

An important means to convey firm identity to stakeholders, and, thus, also the connection to the family, is communication. The growing body of literature on family firm branding, as reflected, for instance, in the abovementioned special issue, confirmed the importance of this topic both for academics and practitioners. As the editors of the special issue noted, “a multitude of studies have substantiated the assumption that branding the family firm has a number of positive implications for the business, such as increased customer satisfaction, employee loyalty, overall reputation and ultimately financial performance” (Binz Astrachan et al., 2019, p. 3). If this is the case, then why, I wondered, is it that not all family firm owners highlight the family–firm relation in communication? In markets in which stakeholders have access to organizations all over the world with a few simple mouse clicks, family firms should welcome the opportunity to gain all these positive consequences of a family firm brand. Other scholars have tried to solve this riddle (e.g. Binz Astrachan & Botero, 2017), but not from the viewpoint that decision making is a process in which initial motives can be replaced or counterbalanced by others. Thus, while finalizing paper 2, I realized that I needed to deepen and broaden the understanding of highlighting the family firm identity connection from the viewpoint of the owning family. Following family firm owners in their decision process could help me reach this goal. For this reason, I placed a call (see Appendix 1 in Part I) in a hospitality trade magazine, inviting family firm owners to participate in a project about the communication of their identity. In the selected 12 family firms, a multilevel decision process unfolded, in which I took part as an interviewer, participant and non-participant observer, and consultant, and in which the owners shared their thoughts, experiences, hopes, and concerns with me. The findings of this project are reported in paper 3 (see Part II).

Then, in 2020, while I was happily on my way to the end of the project, COVID-19 struck the world, paralyzing many of the taken-for-granted processes and actions in every-day life, and in business life. The second initial goal of the project, that is, investigation of the role of non-owning family members in identity expressions, grew out of reach due to the restrictions imposed by the government. Instead, the opportunity presented itself to study how the pandemic affected identity, not only of the company but also of the family and individual family members. This resulted in the fourth paper of this dissertation (see Part II).

The four papers cover topics that, at first sight, seem diverse. However, while they were triggered by my curiosity, fascination, gaps in our understanding, and the unprecedented occasion of the pandemic, the common denominator of these papers is that they all handle different aspects of the identity connection between family and firm from the viewpoint that this connection can be actively managed.
More specifically, the papers provide a better understanding of how and why family firm owners manage this connection.

1.1 Problem statement

Key to the academic approach to family firms as a distinctive category is not the word “firm” but the word “family”. Regarding what constitutes a “family firm,” there is no standard definition that is agreed upon by all scholars because it is difficult to specify the characteristics that explain both differences from nonfamily firms and differences between family firms (Chrisman et al., 2012; Deephouse & Jaskiewicz, 2013). Scholars have approached this problem by focusing on the level of family involvement in ownership and management as an indication of the power that family firms have to exert influence (Astrachan et al., 2002). Chua et al. (1999) explicitly include the intention for succession within the family by defining family firms as firms that are “governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families” (p.25). However, to better account for the heterogeneity of family firms, the “essence” approach has more recently been emphasized (e.g., Zellweger et al., 2010), which includes the intention for family succession as well as self-identification as a family firm and the family’s commitment to the firm (Chrisman et al., 2012). The sampled firms in this dissertation meet this description. They are all fully family-owned and managed, the owners identify the firm as a family firm (although some hesitantly) and intend to continue family ownership in the next generation.

The involvement of the family in the firm and, thus, their ability to influence firm decisions and behavior (Chrisman et al., 2007; Sharma et al., 2014) has triggered research by scholars from different disciplines that focuses on what this involvement means for firms. It is found to impact, for instance, organizational goal setting, risk-taking behavior and entrepreneurial orientation (Chrisman et al., 2012; Gómez-Mejía et al., 2007; Jaskiewicz et al., 2015; Kotlar & De Massis, 2013), which is explained by the notion that in family firms, the identity of family and firm are related (e.g. Craig et al., 2008; Deephouse & Jaskiewicz, 2013; Dorda & Shtëmbari, 2020; Dyer & Whetten, 2006; Frank et al., 2016; Tagiuri & Davis, 1996). This notion is referred to by terms such as “integration,” “overlap,” or “connection.” In this dissertation, I will use the word “connection” because of its more active or “managerial” connotation, and can include perceptions about the family-firm relation held by both insiders and outsiders. The remainder of this section will clarify why this connotation is important.

Previous literature suggests that the identity connection benefits both the firm and the family. For instance, the involvement of the family contributes to collaboration between firm members, and the long shared history of family and firm allows the development of knowledge and skills and long-term relationships
with stakeholders (Corbetta & Salvato, 2004; Le Breton–Miller & Miller, 2006; Targiuri & Davis, 1996). Family ownership also affects firm behavior in the sense that family firms are more inclined to pursue nonfinancial goals than their nonfamily counterparts (Berrone et al., 2012; Chrisman et al., 2012; Peake et al., 2015; Zellweger et al., 2011). Since these behaviors can positively affect how stakeholders perceive and evaluate an organization, the involvement of the family is likely to have a positive effect on firm reputation and on firm performance (Binz Astrachan et al., 2019; Deephouse & Jaskiewicz, 2013). The owning family, in turn, can benefit from its ownership of the firm by the ability to shape firm behavior according to their interests and values (Chrisman et al., 2012) and by the socioemotional wealth (SEW) this provides (Gómez-Mejía et al., 2007). This concept captures positive feelings related to firm ownership, such as pride, a sense of job security for family members, and status in the community (Berrone et al., 2012). These advantages for both firm and family make the connection of the family to the firm an important goal (Chrisman et al., 2012; Gómez-Mejía et al., 2007; Milton, 2008).

The reputational advantages of the connection of the family to the firm have been specifically highlighted in the literature from a marketing communications perspective. Research from this perspective suggests that family firms as a collective have a positive reputation (e.g., Barroso Martinez et al., 2019; Binz et al., 2013; Llanos-Contreras et al., 2022). Positive collective reputations can provide a competitive advantage to individual firms that identify themselves as belonging to this collective (Negro et al., 2014). In the case of family firms, this would mean that they refer to or even emphasize their family-owned nature in identity expressions, thus using ‘family firm’ as a brand (Barroso Martinez, Galván, et al., 2019; Binz Astrachan et al., 2019; Krappe et al., 2011). Moreover, families are unique, so the connection to a specific family provides the firm with a unique and authentic identity that can distinguish it from competitors, including other family firms. Thus, this literature assumes that communication of this connection (usually referred to as “branding” in this stream of literature) would strengthen the firm’s reputation and therefore constitute an important competitive advantage (Binz Astrachan, et al., 2019; Blombäck & Botero, 2013; Rovelli, et al., 2022; Zanon, et al., 2019).

Based on the reported benefits alone, an obvious conclusion would be that family business owners who want to maintain and leverage these benefits will ensure that family identity and business identity remain connected, not only from an internal perspective, as sensed by family members and employees, but also in the eyes of external stakeholders. However, several possible disadvantages of the identity connection have also been suggested in earlier literature. For example, while the strong emotional attachment of family members to the firm can create togetherness, it can also lead to disharmony and conflict (Arteaga & Uman, 2020; Rau, 2013; Tagiuri & Davis, 1996). The long, shared history of family and firm can create a strong identity connection (Brunninge, 2017; Jaskiewicz et al., 2015), but a long history can also cause a loss of flexibility and rigidity (Sydow, et al., 2009). In the case of a bad reputation, a strong and visible connection between
family and firm can spill over to the family or vice versa (Blombäck & Brunninge, 2016; Rondi et al., 2023).

Findings from earlier research imply that family businesses and business families may be aware of the downsides of the identity connection and have, at the very least, a rather ambivalent attitude toward strengthening this connection. For instance, in relation to the reputational benefits, research on identity expressions on websites has found that family firms differ in the degree to which they highlight the connection between family and firm, from not at all to rather actively doing so (Botero et al., 2013; Micelotta & Raynard, 2011). Considering the ease and low cost of expressing identities nowadays through websites and social media, arguments about lack of resources such as time and money are losing strength. Rather, these findings suggest that not all owners see the identity connection as an advantage for all parties and may be deliberately refraining from expressing this connection. Furthermore, families consist of individuals who may be heterogeneous in their perceptions of the upsides and downsides of family ownership. This raises the question of how owning families value this connection and the communication thereof.

Another question is how business families actually maintain the connection between family and firm. From identity literature, we know that identities, whether at the individual, group, or organizational level, are not static. Families change, if only by the natural life course of family members, and companies also change in response to changes in the environment (Gioia, Patvardhan, et al., 2013; Stets & Burke, 2000). Therefore, we have no reason to assume that the connection between the identities in family firms is static. While organizational identity research addresses change, and the family firm literature recognizes the importance of the identity connection between the family and the firm, this connection is predominantly approached as given or expressed as a percentage of ownership in this literature and not as an identity feature that may vary within the firm and that needs maintenance. An exception is the work of Sundaramurthy and Kreiner and colleagues. Building on the systems approach to family firms (see Chapter 2), they presented the degree of integration of family and firm identity as a position on a continuum that can be managed by the owning family, depending on its perception of advantages and disadvantages of this integration (Knapp et al., 2013; Sundaramurthy & Kreiner, 2008). Also, although more remotely, studies that focus on succession (e.g. Sharma et al., 2003), which secures the future identity connection, and on the transmission of values, which tightens the identity connection between family and firm (e.g. Jose Parada & Viladás, 2010) can be regarded as related.

In addition, research on the dynamics in firms and families that influence how families manage this identity connection is limited. This means that we lack understanding of how natural life cycles and events in families can influence how the owning family or individual owners identify with the firm and what the effect of this connection is on the family. We also lack understanding of how pressure from the environment affects the connection between family and firm. Although we have some understanding of the concerns about family and firm that play a
role in decisions to express this connection to stakeholders (e.g., Binz Astrachan & Botero, 2017), the literature on this topic is scarce. We need to better understand the how and why of the identity connection between family and firm, a concept that is central to the family firm field in its breadth. This dissertation aims to advance this understanding.

1.2 A brief introduction to the papers

The first paper (2015) provides an explanation of the corporate reputation construct and reviews how this construct has been approached in the family firm literature. It aims to raise awareness of the potential for research on corporate reputation in the context of family firms. Based on earlier literature, the effect on reputation (Binz et al., 2013; Blombäck & Botero, 2013) can be an important motive for family firm owners to strengthen the ties between the family and the firm, but it can also motivate a higher level of segmentation (e.g. Blombäck & Brunninge, 2016; Botero, 2018; Brunninge, 2017). Many family firm phenomena—such as the involvement of the owning family and striving for nonfinancial goals—can be related to the topic of reputation. Therefore, more attention to reputational issues is advocated to advance insights into family firm behavior. To this end, several potential research avenues are proposed.

Based on suggestions from the first paper, the second paper (2019) builds on the idea of a strong organizational and corporate family firm identity and its effects on other levels of identity. By focusing on a single case of the owning family of a multiple-generation family firm, this study demonstrates the complex, cross-generational interaction of individual, family, and firm identity in the family’s attempts to keep the family and firm connected. Previous literature has assumed that the family affects the firm identity. This study demonstrates that firm identity can influence the identity of the family and the individual family members, who, in turn, impact the identity of the firm. It also shows that there is a dark side for families to be considered in their strive to maintain or solidify the identity connection between family and firm. Thus, by presenting the firm identity as the environment in which family and individual identities develop, the study exceeds earlier literature about identity dynamics in family firms.

The third paper (2020) concentrates on the connection between family and firm identity from a communications perspective, more specifically on the question of why and to what extent owning families decide to highlight the family firm identity through communication. Literature from a marketing perspective has elaborated the potential competitive advantages of a strong corporate identity as a family firm (e.g. Blombäck & Botero, 2013; Craig et al., 2008), but scholars also note that it is far from all family firms that explicitly express this identity connection with the family (Botero et al., 2013; Micelotta & Raynard, 2011). By following owners in their decision process, this study examines which convictions of individual owners or the owning family can motivate or impede decisions about
the communication of the family firm identity. Thus, the study develops a more nuanced view on family firm identity expressions.

The emphasis of paper 4 (2022) is on identity change. Building on insights from the field of psychology, the study investigates identity changes in family firms on different levels and explains these processes as a means of coping with the consequences of the COVID-19 pandemic. It demonstrates that identity change can be based on individual owners’ processes to restore internal congruency, which can affect all levels of identity. As such, it shows how and why the connection between the firm and the family and individual family members can be influenced by crisis situations.

A summary of the appended papers can be found in Chapter 5.

1.3 Research questions

The studies in this dissertation are conducted from the viewpoint that the identity connection between firm and family can be actively managed. This means that the owning family can choose to solidify the identity connection, maintain the current connection, or loosen the connection by creating more distance between family and firm. This does not mean that I assume that owners always consciously or rationally decide about this topic. Apart from the sometimes taken-for-granted character of the connection, (Blombäck & Ramírez-Pasillas, 2012; Knapp et al., 2013), we know that intuition, pragmatism, life experiences and personal characteristics of the decision-maker influence decisions (Kisfalvi, 2002; Perry, et al., 2012; Van den Berg, 2012). This is especially the case in SMEs, the category where the sampled firms in this research belong to. Thus, in this dissertation, I see management in a broad sense that goes beyond conscious processes with the purpose of connection management.

The studies are conducted in fully family owned and managed firms, and within the theoretical framework of identity, communication, and reputation literature and the strong relation between these concepts. As stated earlier, beyond their individual contribution, taken together these papers advance our understanding of how and why owning families keep the family and firm identity connected. The following research questions are answered:

1. How do business families shape, maintain, or change the connection between family identity and firm identity?

This question is addressed in papers 2, 3, and 4. Paper 2 (“‘Who am I? Who are we?’ Understanding the impact of family business identity on the development of individual and family identity in business families”) presents an analysis of a single case that sheds light on family dynamics in a multigenerational family firm, exploring how the connection of family identity and firm identity is managed. Paper 3 (“Revealing the family firm identity? Not everything is about the family or the firm”) addresses this question by a cross-case analysis of the motives of and impediments to family
firm owners in highlighting or downplaying the family firm connection in communication. Paper 4 (“Identity change in family firms to cope with an exogenous shock: The role of cognitive dissonance”) demonstrates that connection management can include both tightening the connection and loosening it.

2. What motivates family firm owners in the management of this connection?
All papers provide input on the answer to this question. Paper 1 (“Corporate reputation and the family business”) highlights reputation as an important motive for firm owners to highlight the connection of family and firm. Paper 2 adds to this through an exploration of the dynamics on family and individual levels with the purpose of keeping family and firm together. Paper 3 shows that family firm owners are motivated by both reputation and identity concerns and that these concerns not only encompass individual family members, family, and firm but also nonfamily employees. Paper 4 focuses on identity change as a coping strategy during the COVID-19 pandemic, which ultimately influenced how family and firm are connected.

3. Which psychological processes explain how this connection is managed?
The answer to this question is predominantly provided by paper 4, which draws from psychology to explain why the environment can motivate identity change and empirically demonstrates how this can affect the identity connection between family and firm.

1.4 Structure of the thesis

The main body of this dissertation is structured into two parts. Part 1 contains six chapters that introduce the topic and aim of this dissertation; the current chapter is the first chapter in this part. Chapter 2 discusses our current knowledge and understanding of family firm identity. Chapter 3 explains the broader theoretical background and is meant to provide the reader with an understanding of the concepts of identity and reputation that are relevant in this dissertation and of psychological processes that can trigger identity change. Chapter 4 presents the methodology, including a brief exposition of the philosophical starting point and the related data collection methods. In Chapter 5, the reader will find a table with an overview of the main features of the appended papers and a summary of each paper. Chapter 6 concludes by answering the research questions and discussing the contributions to theory and practice, taking into account the limitations. It also offers themes and questions for future research.

Because papers have limited space for contextual information, the appendices include additional information about the empirical background: Appendix 1 contains the call that was made for participation in the research project related to papers 3 and 4. Appendix 2 presents facts and figures about family businesses in the Netherlands and, specifically, about family businesses in the hospitality sector in which this research was conducted. Appendix 3 includes short descriptions of 12 of the 13 firms that were involved in this study. The first participating firm is
To solve a riddle

already described in the single case study in paper 2. Appendix 4 contains some examples of visual and textual data and photographs of objects that were collected from websites, social media, and within the firm.

Part 2 of this dissertation contains the four individual papers without further introduction.
Identity is a broad concept that has been studied in family firms in various ways and through various theoretical lenses, often focused on the relation between family ownership and firm performance (Bettinelli, et al., 2022). Part of the literature that addresses identity builds on the definition by Zellweger et al. (2010), which is the family-owned status of the firm as expressed by family members. While this interpretation of family firm identity presents a source of distinction from nonfamily firms, it is limited in its account of differences between family firms, manifested in the close link between the firm identity and the identity of the owning family and the inherent transfer of family values and norms to the firm (Jose Parada & Viladás, 2010; Zwack et al., 2016). In this dissertation, I use the phrases “family-owned status” or “family-owned nature” to refer to family firms as a category distinct from nonfamily firms and “family firm identity” to refer to a firm identity that is based on the values, beliefs, and traditions of the owning family.

The approach to the concept of identity can vary depending on researchers’ ontological and epistemological stances. In organizational identity literature, most prominent are the approach of identity as a sense of self and the approach of identity as it is conveyed to stakeholders (He & Brown, 2013). In this dissertation, both views are relevant. Furthermore, I view identity formation as a continuous process of construction (Schultz & Hernes, 2013). These various approaches and their relation are elaborated in the next chapter.

In the current chapter, I will first discuss a few important characteristics of family firms that we know from previous research. Following Bettinelli et al. (2022), I use the labels “identity,” “identity work” and “identification” to group literature from the family firm research field that is relevant to the topic of this dissertation and provide an overview of our current knowledge and understanding. The label “identity” refers to the answer to the questions of “Who am I?” or “Who are we?”; and thus, the self-concept. “Identity work” refers to the activities to create, adapt, and sustain the self-concept, and “identification” refers to the sense of belonging to a group or organization (Albert & Whetten, 1985; Bettinelli et al., 2022; Brown, 2015). This categorization also provides the opportunity to briefly discuss relevant theoretical concepts, such as the systems approach to family firms and the concept of socioemotional wealth (SEW). The main takeaways of this chapter can be found in section 2.4.
2.1 Identity of family firms

2.1.1 Family firm characteristics

2.1.1.1 The influence of the family system

Family firm scholars agree that a family firm identity is linked to the identity of the owning family (e.g., Craig et al., 2008; Dyer & Whetten, 2006; Salvato et al., 2019), manifested in the transfer of the family's values, beliefs, and traditions to the firm (Jose Parada & Viladás, 2010). This is usually referred to as overlap, integration, or as family firms having a hybrid identity (Boers & Nordqvist, 2012; Habbershon, Williams, & MacMillan, 2003; Whetten et al., 2014). Building on systems theory, although not always explicitly, this characterization is based on the conceptualization of family firms as consisting of two or more systems. The level of integration of these systems is said to explain the differences between family firms and/or the behavior of a specific family firm (Tagiuri & Davis, 1996).

The roots of systems theory lie in general systems theory (GST), which was originally developed in the natural sciences by biologist Ludwig von Bertalanffy in the 1930s, with the goal to uncover general principles of all types of systems across disciplines (Von Bertalanffy, 1972). A system was defined as a set of interacting elements in which each element is affected by other elements in the whole of the system. After the Second World War, in the 1950s and 1960s, organizational scholars started to apply the systems theory to study organizations, first as open systems, that is, in interaction with their environment, and later also as closed systems, that is, as self-sustainable systems, to gain more insight into processes within the organization (Magalhães, 2009; Scott, 1987). Organizational scholars who have adopted the view on organizations as closed systems argue that this conceptualization of organizations is potentially capable of reconciling forces that are often considered as dichotomous, that is, the “soft” forces such as values and norms and the formal processes and procedures (Magalhães, 2009). Scott (1987) distinguished two perspectives within the closed systems view: the organization as a rational system and as a natural system. The first perspective emphasizes the organization as a formalized social structure, whereas the second perspective emphasizes the informal structure, that is the influence of the participants in the organization, to account for processes that cannot be explained by the rational view.

Considering the assumptions of the systems theory and its adaptation by organizational scholars, it is not surprising that family business scholars have used this theory to investigate the dynamics between the systems that interact in a family business and how these influence performance (e.g., Habbershon & Williams, 1999; Habbershon et al., 2003; Litz, 2008; Pieper & Klein, 2007). One application, usually based on the Resource Based View (Barney, 1991) is the approach of the integration of family and firm identity, thus, the systems’ interactions, as the creation of a “unique bundle of resources” (Habbershon & Williams, 1999, p.11). For instance, in the Unified Systems perspective (e.g.
Habbershon, et al., 2003; Litz, 2008), the business, the family and the individual family members are seen as subsystems of the system family firm. The focus of the studies in this approach is on the actions and interaction of the subsystems and how the resulting synergy can be linked to firm performance. Shepherd and Haynie (2009) also see the family and the firm as subsystems of the system family firm. They proposed the multilevel notion of meta-identity, which reflects “who we are as a family business,” to capture the connection between the family and the firm. This meta-identity serves as a conflict resolving mechanism in case the interests of family and firm collide. Such a collision of interests is very likely when two or more systems interact, because each system functions according to its own system-specific logic based on beliefs, values, understandings, and expectations. For this reason, family firms are also referred to as hybrid identity organizations (Whetten et al., 2014).

Thus, while on the one hand the integration of the systems family and firm can create synergy and function as an important resource (Habbershon et al., 2003; Litz, 2008) it can also complicate interactions and create tensions (Suddaby & Jaskiewicz, 2020; Sundaramurthy & Kreiner, 2008; Tagiuri & Davis, 1996; Whetten et al., 2014). In Chapter 1, I provided the example of the long shared history of family and firm. This long shared history can be beneficial for knowledge and skills, for relationships with stakeholders and for reputational capital (Fombrun et al., 2015; Le Breton–Miller & Miller, 2006; Tagiuri & Davis, 1996; Vargo & Lusch, 2004). However, Sydow et al. (2009) have pointed out that a long history can also cause rigidity and a resistance to change. In the case of a merger, for example, a strong awareness of history and corporate heritage (Balmer & Burghausen, 2015; Brunninge, 2017; Pecot et al., 2022) can prevent firm members from adapting to the new organization.

Hence, based on the conceptualization of a family firm as interacting systems, several inherent characteristics can be advantageous or disadvantageous or both, depending on how these characteristics are managed (Tagiuri & Davis, 1996). In the remainder of this subsection I address family firms’ pursuit of nonfinancial goals, family firms as employers, language and emotions in family firms, and size.

2.1.1.2 The pursuit of nonfinancial goals

An important characteristic of family firms that can be directly related to the view on family firms as interacting systems, is the greater emphasis on nonfinancial goals in family firms compared to nonfamily firms (Chrisman et al., 2012, Zellweger et al., 2011. The pursuit of nonfinancial goals is said to reflect the owning families’ interests, which they can safeguard by their influence on their firms’ strategic behavior (e.g., Berrone et al., 2012; Chrisman et al., 2012; Deephouse & Jaskiewicz, 2013; Gómez-Mejía et al., 2011; Peake et al., 2015; Zellweger et al., 2011).

The pursuit of nonfinancial goals is captured by the concept of socioemotional wealth (SEW), which refers to the affective value of firm ownership to the family (Berrone et al., 2012; Gómez-Mejía et al., 2007). This concept was first introduced in 2007 and defined as “the non-financial aspects of the firm that meet
Central to the concept of SEW is the notion that the desire to protect owners’ socioemotional wealth drives strategic decision making and behavior in family firms, for instance, concerning acquisitions and innovation, because these SEW considerations are included, even prioritized, in the balancing of gains and losses that precedes decisions. In other words, when making decisions, the owning family will prefer options that are anticipated to increase SEW or minimize the risk of losing SEW (e.g., Agostino & Ruberto, 2021; Berrone et al., 2012; Cennamo et al., 2012; Gómez–Mejía et al., 2014; Newbert & Craig, 2017; Swab et al., 2020). Not all family firms are alike in their pursuit of these family-related nonfinancial goals. Gómez-Mejia et al. (2007) suggested that its effect is strongest in firms that are still in the founding family stage and less professionally managed, while Chrisman et al. (2012) found differences between family firms depending on the level of family involvement and essence of family firms. Considering the influence of a shared history of family and firm on identity and identification processes, the explanation of family involvement and essence seems more likely.

As to the question what constitutes SEW, the articles that use this concept attribute different dimensions to SEW and use different labels, such as, family influence and control over the firm, identity, identification and/or emotional attachment, intergenerational transfer of ownership or continuity of the family dynasty, image, firm reputation and community status of the family (e.g. Berrone et al., 2012, Gómez-Mejia et al., 2007; Kotlar & De Massis, 2013; Llanos-Contreras & Alonso-Dos-Santos, 2018). To improve measurement of SEW, Berrone et al. (2012), proposed the dimensions of “Family control and influence,” “Identification of family members with the firm,” “Binding social ties,” “Emotional attachment of family members,” and “Renewal of family bonds with the firm through dynastic succession,” in short, the FIBER-model. Although not all dimensions were supported in empirical studies based on this model, it has become one of the most referenced models of SEW among family business scholars.

Although the concept of SEW focuses on the self-interest of the family as a reference point for decision making, several authors have linked the preservation of SEW to behavior of the firm that includes the interests of other stakeholders (Cennamo et al., 2012). For instance, it is said to explain a higher attention to CSR behavior than nonfamily firms (Berrone et al., 2010) and HR practices such as employee selection and investment in training (Cruz et al., 2011). The reasoning in these articles is that this behavior ultimately adds to the family’s SEW, for instance because it aligns with its values and norms, has a positive effect the family status in the community or because it ensures team harmony.

2.1.1.3 Family firms as employers

As the previous paragraph suggests, as employers, family firms have been found to differ from nonfamily firms, which can be experienced as an advantage or a disadvantage. For instance, they are found to have a more informal management style and pay lower salaries than nonfamily firms, although they also provide
more job security and stability to employees (Block, 2010; Block et al., 2016; Kotey & Folker, 2007).

Related to the involvement of the family in the firm and the long history of family firms (Le Breton–Miller & Miller, 2006), a family firm is likely to have a very heterogeneous employee group. Contrary to nonfamily firms, in family firms, employees can also be family members and owners. The employee group can thus consist of owner-family employees, non-owner family employees and non-owner nonfamily employees. Cruz et al. (2011) proposed that family firms favor relatives in the selection of employees, because they would share the firm’s ideology which makes SEW preservation easier. Although the employment of family members can be beneficial (Firfiray et al., 2018), differences in roles have been found to influence the perception of justice by nonfamily employees (Barnett & Kellermanns, 2006), with negative emotions, such as anger and disappointment, and their impact on job satisfaction as a likely consequence (Fisher & Ashkanasy, 2000). Furthermore, there is evidence that family members have a different relationship with long-term than with short-term employees and that long-term employees perceive their relationship with the family and the firm as different. According to Erdem and Atsan (2015), the mutual trust and loyalty between family members and long-term employees is stronger. Family members attribute a high level of competence, identification, and personal trustworthiness to these employees. They are considered as part of the family, and family members pay close attention to their needs and problems (Erdem & Atsan, 2015). Frank et al. (2016) found that the bond between family members and employees is an important part of what characterizes family firms.

Employees are a primary stakeholder group to be addressed in identity issues (Gotsi & Wilson, 2001), because they are in close contact with customers (Olmedo-Cifuentes et al., 2014), and outsiders’ perceptions of employee treatment are an important antecedent of reputation (Fombrun et al., 2015). However, due to the heterogeneity of the employee group, the alignment of employees to the goals and values of the company is likely a greater challenge for family firm than for nonfamily firms.

2.1.1.4 Language and emotions in family firms

Another example of a characteristic of family firm is the likelihood of cross-system language usage. This can be experienced as an advantage or a disadvantage. According to Tagiuri & Davis (1996), the use of private language by family members in the firm can lead to more efficiency and togetherness as well as to misunderstanding and an avoidance of sensitive subjects, which ultimately leads to conflict. Cross-system language usage, or its avoidance, has been identified by Knapp et al. (2013) as a specific tactic to manage the boundaries between the family system and firm system.

In relation to this work–privacy intersection, several scholars have focused on the role of emotions in family firms (e.g., Brundin & Liu, 2015; Kammerlander et al., 2022; Stanley, 2010). Emotions and tensions are likely to play a larger role in family firms than in nonfamily firms because emotions are typically associated
with the relationship logic of the family system. Even in employees of family firms, family leaders are more likely to evoke positive emotions than nonfamily leaders (Kammerlander et al., 2022). Emotions and the strong emotional attachment of family members to the firm (Arteaga & Uman, 2020; Deephouse & Jaskiewicz, 2013; Gómez-Mejía et al., 2011; Rau, 2013) are found to affect strategic decisions (Brundin & Liu, 2015; Rau, 2013; Stanley, 2010), for example, about succession, risk-taking behavior, and socially responsible behavior. These findings are related to the SEW notion that the family’s affective needs provide their frame of reference for firm decisions, which, since the introduction of SEW, has been used to explain a variety of family firm behavior (Berrone et al., 2012).

2.1.1.5 Family firm size

Considering the omnipresence of family firms in the category of SMEs, it may be hard to separate results that are typical for family firms and those that are related to firm size. In research on SMEs, it is likely that at least part of the empirical data were collected in family firms even when the authors did not account for this characteristic. For this reason, I briefly discuss some SME literature that is relevant for this dissertation.

Research on SMEs reveals that they generally have limited resources, but tend to be more creative and flexible in the use of these resources than large firms (Bocconcelli et al., 2018). In relation, SMEs have short lines and different decision processes that favor pragmatism and intuition, and a different strategic orientation (Hauser et al., 2020; Perry, et al., 2012; Van den Berg, 2012), which is partly due to a lack of knowledge about planning tools (Wagner & Paton, 2014; Woods & Joyce, 2003).

Regarding identity and reputation, these SME characteristics can be an advantage or a disadvantage. For instance, while socially responsible behavior is an important driver for reputation (Van Riel, 2012), Lepoutre and Heene (2006) conclude that small business will experience more difficulties in displaying this behavior than their larger counterparts. By contrast, a study by Darnall et al. (2010) indicates that small firms are more likely to respond to stakeholder pressures to adopt environmental practices than are large firms. Furthermore, flexibility and short lines also facilitate the speed of decisions, which enhances the responsiveness to stakeholders (Krake, 2005), and make it easier to align the organization members, their activities and patterns of behavior in order to express the identity in a consistent manner (Abimbola & Vallaster, 2007).

A difference that is frequently referred to in literature about SMEs is the major influence of the founder or owner on the company’s identity, which presents an opportunity for reputation management (Abimbola & Vallaster, 2007; Inskip, 2004; Krake, 2005; Spence & Hamzaoui Essoussi, 2010). This advantage has often been highlighted in the family firm research field as well and will be addressed in the next section. However, lack of resources such as budget and knowledge obstruct marketing and reputation management efforts (Abimbola & Vallaster, 2007; Spence & Hamzaoui Essoussi, 2010). In addition, there is a different attitude towards marketing and reputation related activities in SMEs.
There is either no awareness of the importance or they do not prioritize this (Inskip, 2004; Krake, 2005). Furthermore SMEs’ strong orientation on sales leaves no time for premeditated reputation-related decisions and actions, thus, customer engagement, word of mouth communication and networking are found to be predominantly applied in SMEs (Bocconcelli et al., 2018).

2.1.2 Stakeholder perceptions of family firm identity

Based on the identity characteristics of family firms, a significant portion of research into identity is related to how family firms are perceived and evaluated by stakeholders and, thus, their reputation. A positive reputation provides a competitive advantage by its effect on, for instance, sales and the attraction of qualified staff (Turban & Cable, 2003; Van Riel, 2012). Reputation is a particularly interesting topic in the family firm context because of the connection between the family identity and the firm identity and its influence on their respective reputations (Beck & Prügl, 2018; Binz et al., 2013; Blombäck & Botero, 2013; Deephouse & Jaskiewicz, 2013; Rondi et al., 2023).

In the early years of family firm research, only a few studies addressed this topic, usually by investigating perceptions of family firms in comparison to nonfamily firms (e.g., Orth & Green, 2009). Positive perceptions of family firms include, among other things, that they are less profit oriented, more trustworthy and socially responsible than nonfamily firms, and but they are also perceived as less flexible and less professional (Binz et al., 2013; Krappe et al., 2011). Recent articles display more attention to the heterogeneity of family businesses by, for example, focusing on stakeholder perceptions of family firms in different countries, a specific industry, or based on a specific channel, such as the website (Diéguez-Soto et al., 2017; Jaufenthaler et al., 2023; Scholl-Grissemann et al., 2021). Generally, prior research on consumer perceptions reveals a higher preference for and positive behavior toward family firms, such as consumers’ attitudes and intentions to buy (Alonso-Dos-Santos et al., 2019; Bargoni et al., 2023; Binz et al., 2013; Carrigan & Buckley, 2008; Orth & Green, 2009). Even in times of product crisis, consumers are found to regard family firms with more lenience (Datta & Mukherjee, 2022).

Positive effects are also found in research involving other stakeholders, such as job applicants (Hauswald et al., 2015; Llanos-Contreras et al., 2022) and investors (Lude & Prügl, 2019; Santiago et al., 2019), although results from these stakeholder groups show more ambivalence than in the case of consumers. For instance, Kahlert et al. (2017) found that information about family ownership had no effect on the company’s attractiveness to potential applicants, while Hauswald et al. (2015) found that the perceived desirability of working for a family firm is dependent on applicant characteristics and their fit with the organization, and on the economic environment. Block et al. (2016) showed that a preference for family firms is related to being female. In a very early study in the field, Covin (1994) also demonstrated that female respondents, in particular, were more attracted to family firms than to nonfamily firms. Recently Jaufenthaler (2023)
established that family firms as employers gained attractiveness during the COVID-19 crisis.

Ambiguous or not, what these results suggest, is that stakeholders have different expectations from family firms. This can mean that their evaluation of the firm is based on additional associations, or that perceived firm characteristics are differently weighed in the evaluation of family firms compared to nonfamily firms (Binz et al., 2013; Motoc, 2019). At least from a consumer perspective, family firms as a category of firms seem to have a positive reputation, although this may not be globally the case, as various researchers noted (e.g., Binz Astrachan & Botero, 2017; Jaufenthaler et al., 2023; Lude & Prügl, 2018). A potential positive effect of family ownership on reputation can be an important motive for family firm owners to keep the identities of family and firm connected (Binz Astrachan & Botero, 2017).

2.2 Identity work in family firms

The term “identity work” refers to the activities to create, adapt and sustain identity (Bettinelli et al., 2022). The term reflects that identity is not a collection of characteristics that happens to define an entity but that it is actively constructed and maintained, although the activities to do so may be tacit and unintentional (Brown, 2017).

According to Sundaramurthy and Kreiner (2008) the degree of integration of family and firm identity can be represented as a position on a continuum that can be managed by the owning family, depending on its perception of advantages and disadvantages of integration. In their conceptual article, the authors developed the idea that the firm’s position on this continuum is a result of choices made by the owning family on five identity dimensions: (a) Communication of family ownership, (b) Preservation of family culture, (c) Family employment, (d) Family ownership and governance, and (e) Financial and contractual relations between family and firm. Complete identity integration is characterized by, for instance, the expression of the family owned status by eponymy and in communication to outsiders, commitment to family values, cross-system conversations, extensive family employment, a high percentage of ownership and control by the family, and a free flow of finances between family and firm. A low level of integration is characterized by the opposite features, for example, no references to family ownership in communication, a commitment to business values, a limited number of family employees, a relatively high percentage of nonfamily members in ownership and governance, and limited formal relations between family and firm (Sundaramurthy & Kreiner, 2008).

Concerning communication of family ownership, the first of the abovementioned dimensions, based on insights about the potential reputation capital of a family firm identity (see the previous section 2.1.2), various studies highlight the unique selling point that family firms have due to their connection to the family. Family firms not only benefit from the suggested positive collective
reputation of family firms (e.g. Barroso Martínez et al., 2019; Binz et al., 2013; Krappe et al., 2011; Llanos-Contreras et al., 2022; Negro et al., 2015), but also by the connection to a specific family, which by definition is unique and provides a great opportunity to build distinctive capital. Contrary to the use of the collective family firm label, which implicitly emphasizes the similarities between family firms, the connection to the owning family distinguishes the firm from all competitors, whether family owned or not. Thus, the expression of this connection to stakeholders creates a competitive advantage (Blombäck & Botero, 2013; Blombäck & Brunninge, 2013; Dyer & Whetten, 2006; Rovelli et al., 2022; Whetten et al., 2014; Zanon et al., 2019).

For this reason, various scholars have focused on the corporate communication practices of family firms (Blombäck & Brunninge, 2016; Botero et al., 2013; Canziani et al., 2020; Micelotta & Raynard, 2011; Zellweger et al., 2012). While part of this literature concerns the communication of the family owned status to stakeholders to benefit reputation (e.g. Memili et al., 2010; Zellweger et al., 2012), especially more recent literature focuses on specific aspects of family firms and their communication (e.g. Beck & Prügl, 2018; Brunninge, 2017; Canziani et al., 2020; Lude & Prügl, 2018). For instance, Canziani et al. (2020) analyzed narratives on websites and concluded that in addition to family-based content, communication styles also matter in the construction of a strong corporate identity. Other recent literature has advanced our understanding by controlling for differences in size, age, and constitutions (Barroso Martínez et al., 2019; Beck et al., 2020). Beck et al. (2020) found a negative relation between communication of the family firm identity and the innovation intensity of the industry, business to business (B2B) operations, and the firms’ degree of internationalization. In contrast, having family firms as business partners was found to be positively related to these identity expressions. Building on theories from the field of marketing on heritage identities and brands (Burghausen & Balmer, 2014; Urde et al., 2007), Blombäck and Brunninge (2013) suggested several ways in which family firms can use their long-shared history in their corporate communications. An advantage of a long history is that the firm identity is likely to be more solidly grounded, which lends credibility to the expression of uniqueness, authenticity, and continuity (Burghausen & Balmer, 2014; Urde et al., 2007), which, in turn, positively impacts stakeholders’ perceptions about the firm.

However, for several reasons, highlighting the connection of the family and firm identity may not always be advantageous or desirable for the family or for the firm. Firm behavior can have repercussions for the family or individual family members because stakeholders cannot or do not always distinguish between the firm and the family (Blombäck & Botero, 2013; Blombäck & Brunninge, 2016; Dyer & Whetten, 2006; Kashmiri & Mahajan, 2010) and, vice versa, the behavior of the family or individual family members can have repercussions for the firm (Kidwell et al., 2013), even when their behavior occurred in the past (Brunninge, 2017). Furthermore, if the family's values, interests, and behavior or those of individual family members are not aligned with those of the firm, the likelihood...
of inconsistencies in the expression of identity will not be beneficial for their reputation.

Indeed, studies on the communication of family firm ownership and identity reflect an ambivalent attitude of family firm owners toward the identity connection of the family and the firm (e.g., Barroso Martínez et al., 2019; Beck, 2016; Binz Astrachan & Botero, 2017; Micelotta & Raynard, 2011). While communication is a major mode for conveying a strong and distinctive identity (Binz Astrachan & Botero, 2017; Birkigt & Stadler, 1986, Cornelissen, 2017), the results show that family firms apply different communication strategies with different degrees of emphasis on family identity and ownership. These include not communicating their connection to the family at all or to a very limited extent, for instance, by a single reference to the family-owned status. Based on their analysis of websites, Micelotta and Raynard (2011), identified three communication strategies used by family firms related to the degree of integration between family identity and firm identity: the family preservation strategy, the family enrichment strategy, and the family subordination strategy. Family firms that use the first strategy, family preservation, present the family and the firm identity as inextricably connected by emphasizing the family as the carrier of identity. This means that the firm identity is primarily communicated by family-related content, such as facts about and values of the family. In the family enrichment strategy, the family’s contribution to product and service quality is highlighted, for instance, by references to long-lasting family traditions to support the promise of quality. In the family subordination strategy, the firm identity is communicated as independent from the family identity.

Scarce research has investigated the deliberations of family firm owners in highlighting or downplaying the connection between family and firm. Binz Astrachan and Botero (2017) found that owners are motivated to communicate the connection between family and firm by a sense of pride of (ownership of) the firm and the anticipated positive effect on the development of a strong and distinctive corporate identity. However, the concern that the business might become dependent on one or a few faces from the family or that highlighting the connection between family and firm limits the freedom of family members keeps owners from doing so (Binz Astrachan & Botero, 2017). This is in line with some of my own findings on motives (see paper 3). Furthermore, firm characteristics, such as age, industry, entrepreneurial orientation and culture influence the decision to convey this connection (Beck et al., 2020; Botero et al., 2013; Chen et al., 2022), although the results from these studies are inconclusive.

Other articles in the category of identity work focus on identity work in times of change. For instance Ponroy et al. (2019) studied the maintenance of the family firm identity after the sudden death of the founder and the withdrawal of family members from the firm. Interestingly, in this specific case, the family firm identity was maintained by nonfamily members. The recent work of Sasaki and colleagues on identity practices of Japanese family firms focuses on identity work to reconcile change initiatives with organizational identity (Sasaki et al., 2020) and
to help preserve the distinctive identity of the local community by serving as carriers of tradition (Sasaki et al., 2019).

While the emphasis in this body of literature is on identity work at the firm level, some articles have focused on family-level and individual level identity work. For instance, Salvato et al. (2010) investigated how a family renegotiates its identity when exiting a business that was founded by the family generations ago. The family was able to decouple its sense of identity from the firm by redirecting their commitment to and feelings of personal responsibility for the specific firm toward continuity of entrepreneurial family in the spirit of the founder and toward future success. On the individual level, family members are found to actively manage the integration or segmentation of the family and firm to balance the perceived advantages and disadvantages of family ownership, for instance by choosing (not) to talk about family matters during work or about work matters during family meetings and (not) to refer to family relations (Knapp et al., 2013).

2.3 Identification in family firms

Identification, the third identity-related theme, refers to a sense of unity between individual and a group or organization based on alignment between the respective identities (Ashforth & Mael, 1989; Brown, 2017; Tajfel & Turner, 1986). This is explained by the social identity theory (SIT) which will be addressed in the next chapter. In family business research, identification usually refers to family members’ strong sense of belonging to the family business, which means that family members see the firm as an extension of themselves. They regard membership in the business as part of their identity, feel that its success is their own success, and are proud to tell others about the business (Gómez-Mejía & Herrero, 2022).

Because family members identify themselves with their firm (Deephouse & Jaskiewicz, 2013; Dyer & Whetten, 2006; Sageder et al., 2015), it is important for business families that the firm identity and behavior reflect the family identity, for instance to protect the family status in the community (Cennamo at al., 2012; Deephouse & Jaskiewicz, 2013). Prior research suggests that this is particularly the case in eponymous firms in which the family name is part of the firm name. Eponymy clearly signals the connection of the family to the firm and thus raises a family’s susceptibility to community scrutiny (Deephouse & Jaskiewicz, 2013; Kashmiri & Mahajan, 2014). This susceptibility is said to explain family firms’ nonfinancial goal setting and behavior, for instance, their attention to CSR (Cabrera-Suárez et al., 2014; Zellweger et al., 2011). Family firms show awareness that this firm behavior and the communication thereof can benefit their reputation (Block et al., 2015).

As discussed in Section 2.1, family identification with the firm is also an important dimension of the concept of socioemotional wealth (Berrone et al., 2012; Gómez-Mejía et al., 2007). In the FIBER-model, proposed by Berrone et
identification of family members with the firm is one of five dimensions of SEW. Recent empirical studies in several European countries based on the FIBER-model have shown support for three of its original dimensions, including “identification of family members with the firm,” “emotional attachment of family members,” and “renewal of family bonds through intrafamily succession” (Filser et al., 2018; Gómez-Mejía & Herrero, 2022; Hauck et al., 2016).

The effect of family members’ identification with the firm is not limited to the present. It is found to increase the chance of succession within the family through its positive effect on the commitment of the next generation to the firm, their sense of responsibility for firm behavior, and their intentions to work in the firm (Bernhard & Labaki, 2020; Dawson et al., 2015). Thus, identification of family members with the firm is an important antecedent of transgenerational ownership. Identification is fostered by specific family features, such as family cohesion, in which values and attitudes are shared among family members, and an open communication climate (Cabrera-Suárez et al., 2014; Prügl & Spitzley, 2021).

Another type of identification that is relevant in this dissertation is at the organizational level, when the owning family identifies its firm as belonging to the category of family firms. In relation to the discussion in the previous sections about highlighting the family owned nature of the firm to profit from reputational benefits, this identification motivates expressing their family owned nature, specifically so when they have family firms in their network (Beck et al, 2020).

Finally, specifically in paper 4 of this dissertation, another type of identification surfaced as relevant, namely the identification of family firm owners with the larger group of entrepreneurs. Many of the owners’ cognitions that were relevant in identity change, were based on their perceptions of entrepreneurial characteristics.

2.4 Concluding remarks

Based on the characteristics of family firms that were found in earlier literature, we can conclude that the connection between firm identity and family identity can have both advantages and disadvantages to the parties involved. This means that the integration of the family and the firm identity is not self-evident. Furthermore, earlier literature suggests that the connection of family and firm identity can be managed on organizational, family and individual level and that decisions about this management, including about communication, are motivated by the perceived advantages and disadvantages of this integration and how these are weighed.

While the specifics of family firm identity, and their effects on performance, have been investigated from the early stages of family firms as a research field (e.g. Habbershon & Williams, 1999; Tagiuri & Davis, 1996), few articles, at that time, had identity work as their central focus. Fortunately, as this chapter shows, a growing number of researchers have taken up this line of research from various
perspectives. The advancement in our understanding of this topic is reflected by the various foci of the articles.

The earlier articles on identity work often juxtaposed and compared family firms and non-family firms, and researchers reflected on the competitive advantages that family firm branding would provide. Recent articles in the field display more attention for to the heterogeneity of family businesses by focusing, for example, on specific sectors, on specific events, or by controlling for different size, age, constitutions, etc. (e.g., Barroso et al., 2019; Beck et al., 2020). As a consequence, we know more about what drives the communication of the identity connection between family and firm, which means that a more nuanced view on highlighting this feature has gained ground in the field. Therefore, several researchers have called for a better understanding of the considerations of family firm owners concerning the expression of the connection between family and firm (Beck, 2016; Binz Astrachan et al., 2018). Paper 3 in this dissertation can be seen as a response to these calls. This question of what motivates owners, that is, the “why” question, has also been suggested as a future research question by Knapp et al. (2013). Based on traces in their empirical evidence, these researchers presume that the motives of individuals to integrate or separate the family and firm identity may be stress related. Chapter 6 in this dissertation provides additional evidence for this presumption.

The increasing interest in the connection of family and firm and its consequences for identity, identity work, and identification confirms the relevance of this topic for family businesses. However, some gaps can be noted. For example, in research on identity work, the attention to stakeholder groups other than consumers seems to be increasing, but the focus of this research remains on external stakeholders. Studies on identity dynamics in internal stakeholder groups are still scarce. To illustrate, in their recent review, Bettinelli et al. (2022) identified only two articles as family-level identity work (Salvato et al. 2010; Schmidts & Shepherd, 2015). The authors explained this lack of representation by the tacit and, therefore, difficult to capture nature of group level dynamics. This may be so, but it seems oddly in contrast with the centrality of the family as the defining characteristic of family firms and their influence on family firm behavior and reputation. Furthermore, the other direction, that is, the influence of the firm on the family identity or the mutuality of this influence, has not received much attention either. Papers 2 and 4 in this dissertation aim to contribute to these topics.

Employees are another internal stakeholder group that have not received much attention, particularly in studies on identity work. The likelihood of a heterogeneous constitution of an employee group can present a challenge for family firms in the development of their identity. A better understanding of how employees can affect identity and identity work in family firms can help family firms to make informed decisions about identity processes, among which is the management of the identity connection between family and firm. Paper 3 contributes to this understanding.
In summary, based on our knowledge and understanding as discussed in this chapter, there is every reason to assume that the identity connection between family and firm should not be taken for granted. It is important for family firms to carefully consider the connection between their family identity and their firm identity and to manage this connection in a way that reconciles the interests of firm and family. A better understanding of how and why family firm owners manage their defining characteristic, that is, the identity connection between family and firm, contributes to our understanding of the owning family and of firm behavior and performance.
3 Theoretical background: Approaches to the concept of identity - what is identity?

As mentioned in the previous chapter, identity is a broad concept. Apart from the differentiation in identity, identity work, and identification that I used to categorize the identity-related family firm literature, the concept can be applied on multiple levels and approached from different perspectives. In this chapter, I will elaborate on these levels and perspectives, on how they are related, and their relevance for this dissertation.

3.1 Levels of identity

The concept of identity can be applied on individual, group, and organizational levels (Brown, 2015). In this dissertation, all three levels are relevant. Based on its sociological roots, identity can be defined as the socially constructed answer to the question “Who am I?” as an individual or “Who are we?” as a group or organization (Albert & Whetten, 1985; Burke & Tully, 1977). The answer to this question can be represented as “a set of meanings” applied by individuals, groups, and organizations as a standard of reference for who they are. These meanings incorporate what an individual, group or organizational identity has in common with other identities and what distinguishes it from other identities. This simultaneous sense of assimilation and uniqueness is considered a basic need on all levels of identity (Whetten & Mackey, 2002).

Individual identity refers to an individual's sense of self based on personal characteristics, such as interests, values and competences, which can be influenced by the roles an individual has (Burke & Tully, 1977), and social relationships (Tajfel & Turner, 1986). Thus, included in the individual identity are the identities of groups and organizations with which the individual identifies and which s/he internalizes as part of his or her own identity. The features in the individual’s sense of self that are derived from his or her identification with a group, are referred to as social identity (Stets & Burke, 2000; Tajfel & Turner, 1986). This relation between group identity and individual identity is explained by the social identity theory (SIT), which posits that when an individual identifies himself/herself as a member of a group, for instance a family, a community, or employees of a company, this identification influences his or her sense of self. Because membership in a group in which individuals share values and goals provides a sense of belonging, this membership has emotional significance (Tajfel & Turner, 1986).
Group identity refers to the sense of collective identity that is shared by members of a particular group, in other words, their understanding of the shared characteristics and values of that group and the degree to which they are similar and different from other groups. This can be based on such things as (a combination of) nationality, age, occupation, political preferences, gender, and in the case of a family, family relationships. Specific to families is that the individual usually spends several life stages, from infant to adult, within that group. This means that apart from the emotional security of belonging that the family provides by its focus on the shared identity (Tajfel & Turner, 1986), a family must also foster the development of the family member’s individual identity, that is, a sense of uniqueness, while growing up (Hall, 2003, Whetten & Mackey, 2002). A sense of identity in families is transferred across generations by the stories that are told in the family (Thompson et al., 2009), but individual family members do not have to embrace all aspects of the family identity. They can develop their individual identity and, thus, differentiate from their family by adopting, rejecting, or adjusting certain aspects of the family identity (Thompson et al., 2009). Since group identity is based on a shared sense of self among group members, the family identity is likely to (gradually) change in this process.

The need of individuals to develop their individual identity, indicates that identification with the family is not a self-evident state of mind. In the context of family firms, it is likely that this need also affects family members’ identification with the firm (Dyer & Whetten, 2006; Gómez-Mejía & Herrero, 2022; Knapp et al., 2013) permanently or temporarily. Knapp et al. (2013), found that individual family members use dissociation tactics to manage the degree to which their identity is connected to the family firm. Thus, families that aim to maintain or even strengthen their connection to the firm, face the challenge of stimulating their identification with the firm (Bernhard & Labaki, 2020; Dawson et al., 2015), while also facilitating the next generation’s strive for differentiation.

Regarding organizational identity, various research fields have contributed to this concept and, inherently, the extensive body of literature shows various approaches and, in addition, similar approaches are sometimes presented with different labels. These are discussed in-depth by, for instance Corley et al. (2006) Cornelissen et al. (2007) Gioia, Patvardhan et al. (2013), and He & Brown, (2013). In the next section I use the categorization of He and Brown (2013) to briefly elaborate on these approaches, with the main purpose of clarifying which approaches are relevant in this dissertation and their relationship to the concepts of reputation, communication and the psychological approach in paper 4.

3.2 Approaches to organizational identity

He and Brown (2013) identified four streams of organizational identity literature, which they labelled the social constructionist view, the functionalist view, the postmodern view, and the psychodynamic view. The first three approaches of
organizational identity are most prominent in the literature and relevant for this research.

**The social-constructionist view**
Following the classic article by Albert and Whetten (1985), organizational scholars that view the organization as a social construction, see organizational identity as the collective sense of self that is shared by members of an organization and is developed through interactions between those members (Albert & Whetten, 1985). As such, it encompasses the shared values, beliefs, and norms that organizational members perceive as central, enduring, and distinctive (CED) features of the organization (Albert & Whetten, 1985). This view is derived from sociological theories on identity as referred to in the previous section. Apart from the need to be both similar to others and unique, these features reflect the need of continuity over time. This makes history an important part of organizational identity, because identity features cannot be perceived as central and enduring without perceptions of history (Gioia, Patvardhan et al., 2013. This interpretive view on identity is relevant for this dissertation (see also Chapter 4).

**The functionalist view**
The socially constructed sense of identity can be reshaped or rearticulated into identity claims about the organization, that can be expressed to organizational members and outsiders to facilitate this shared understanding (Schinoff et al., 2016; Whetten, 2006; Whetten & Mackey, 2002). The transmission of organizational identity through the expression of identity claims emphasizes the organization as a social actor (Whetten & Mackey, 2002), that is, an entity in its own right, having its own identity and dynamics, rather than being a collective sense of self of organizational members. This view on organizations incorporates that organizations can interact and be held accountable for their actions, similar to individuals. As such, the social actor view bridges the social-constructionist view with the functionalist view on organizational identity as identified by He and Brown (2013). This functionalist perspective prevails in the marketing and communications field (He & Brown, 2013). In this view, organizational identity refers to the way an organization represents itself through communication, behavior, and the use of symbolic elements, such as an organization’s name and logo (Balmer, 2001; Birkigt & Stadler, 1986; Cornelissen, 2017). In marketing and communications literature, this functionalist view on organizational identity is often referred to as corporate identity (e.g. Balmer, 2001; Cornelissen et al., 2007). Considering the relevance for this dissertation, I will address this functionalist view on identity in more depth in the Section 3.3.

**The postmodern view**
Based on the categorization by He and Brown (2013) literature from the postmodern view emphasizes the dynamic nature of organizational identity, thus, organizational change. Organizations are approached as discursive entities and organizational identity is seen as the temporary result of an ongoing process of
meaning-generating discourse, for instance, in the form of narratives (e.g., Brown, 2006). This discourse can take place internally and externally, as a dialogue between the organization/organizational members and external stakeholders. A rather extreme conceptualization of the organization as discursive entity is based on the New Systems theory developed by sociologist Luhmann (1995). In his view, an organization is a closed communication system in which not individuals but self-sustaining communication processes, manifested in successive communication acts, define what the organization is (Seidl & Becker, 2006). Organizational change literature focuses on the interactions between organizational members and stakeholders in the environment. Incongruences between members’ sense of organizational identity and their perception of what the environments expects, motivate change. I will further elaborate on this process and its psychological underpinning in Section 3.4.

The psychodynamic view
Similar to the social-constructionist view, the psychodynamic perspective explains organizational identity as a collective identity shaped by organizational members. This view assumes that an organization strives to preserve its identity, and, thus, defends itself against change, for reasons of self-esteem and to mitigate psychological threats to individual members. This view is derived from the individual’s need for continuity which is transferred to the organization. A change in the organization’s identity would cause discomfort and anxiety in organizational members. Defense against change can manifest in, for instance, denial of change or in a focus on the rational processes and practices of organizational life (He and Brown, 2013). Although this is an organizational level approach of identity, it can be related to the individual level cognitive dissonance theory that I discuss in Section 3.4.

The relation between these views
These different perspectives on organizational identity are not mutually exclusive, rather they can be seen as complementary. The psychodynamic and discursive views on organizational identity inherently rely on the conceptualization of identity as a social construction, which represents organizational members shared beliefs about the CED characteristics of the organization. Whetten et al. (2014) distinguished only the social constructionist view and the social actor view on organizational identity as main categories and refer to organizational change literature as rooted in the social constructionist view. Furthermore, members’ shared beliefs about organizational identity provide footing for the expression of this identity to external stakeholders (Hatch and Schultz, 2002), that is, the corporate identity. In addition, some scholars from the field of marketing communications argue that the social constructionist view and the functionalist view refer to very similar concepts of identity (e.g., Balmer, 2001; Cornelissen et al., 2007). What becomes clear from this literature, is that organizational identity formation cannot be understood in-depth when studying this from a single perspective.
These different approaches to organizational identity are not always distinguished or acknowledged in the family firm research field. For instance, Sundaramurthy and Kreiner (2008) implicitly integrate these approaches by presenting how the organization represents itself to stakeholders as one of the dimensions of the organizational identity, which is dynamic in nature considering their manageable position on a continuum. As the papers in part 2 will show, in this dissertation, I use multiple approaches. Papers 1 is based on the functionalist approach. Paper 2 integrates the social constructionist, functionalist, and postmodern approaches. Paper 3 combines the social constructionist and functionalist approach and paper 4 departs from the postmodern perspective on organizational identity as a process.

3.3 The functionalist view on identity elaborated

3.3.1 The representation of organizational identity

As previously explained, the functionalist approach to organizational identity addresses how the identity is presented to stakeholders through communication, behavior, and symbolic elements, such as its name and logo (Balmer, 2001; Birkigt & Stadler, 1986; Cornelissen, 2017; Van Riel, 2012). Following corporate communications scholars, I refer to this intentional representation of the organizational identity as “corporate identity.” An important goal of corporate identity is to develop a relevant image of the organization in the minds of stakeholders and, ultimately, a positive reputation1 for the organization (Abimbola & Vallaster, 2007; Ansgar & Christine, 2017; Balmer, 2001; Fombrun et al., 2015; Schultz, et al., 2001; Van Riel, 2012). The construct of reputation will be explained in the next sections.

The condition that is needed for the development of a positive reputation is not only that an organization’s identity is appreciated by stakeholders but also that it is noticed. This means that an organization has to represent itself in a way that establishes and maintains visibility, transparency, distinctiveness, authenticity, and consistency in the eyes of stakeholders (Fombrun & Van Riel, 2004). In striving for this, the rapid development of communication technology—and the subsequent growth of all kinds of communication platforms—can be an opportunity as well as a threat (Blombäck & Craig, 2014; Cornelissen, 2017; Kaplan & Haenlein, 2010; Etter et al., 2019). An important opportunity for companies lies in the multimodal way in which they can communicate a distinct identity to a broad group of stakeholders (Mangold & Faulds, 2009). In contrast, the threat lies in the decreased control companies have over content and the

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1 Depending on the research field, the concept of reputation is referred to as either organizational reputation (e.g., Deephouse & Carter, 2005) or corporate reputation (e.g., Balmer et al., 2006; Barnett et al., 2006; Dowling & Moran, 2012; Wolter et al., 2021). In this dissertation, I use the term “corporate reputation.”
amount of information (Etter et al., 2019) and in the enhanced power of consumers, who can easily interact with their peers and with other stakeholder groups to share their evaluation of a company (Cornelissen, 2017; Kaplan & Haenlein, 2010; Mangold & Faulds, 2009). This allows stakeholders to place high demands, be very critical, and take their business elsewhere if their needs are not properly met. They can also convince others to do the same by “broadcasting” their experience on the Internet. This is also the case with employees, who use the Internet and social media both as organization members and private persons (Cornelissen, 2017). Thus, stakeholders are not passive receivers of information but co-creators of reputation by actively sharing their perceptions and experiences (Cornelissen, 2017; Van Riel, 2012). Companies have to find ways to influence this discourse in a positive way to keep their stakeholders’ support (both internal and external). Hence, the way an organization represents itself, that is, its corporate identity, has strategic importance.

3.3.2 Approaches to reputation

Literature that focuses on reputation shows multiple definitions of this concept reputation. Differences in these definitions concern, for instance, its distinction from image and the question whether reputation should be regarded as a signal of quality, a belief of stakeholders or a judgement by stakeholders, either individual or collective (Dowling, 2016). What most scholars, including myself, agree on is that a corporate reputation can be seen as a comparative evaluation of an organization by stakeholders, which can be positive or negative and is based on their perceptions of the organizational identity. Furthermore, I follow Fombrun and Van Riel (2004) in the distinction between reputation and image: Reputation differs from the concept of image by the degree to which the evaluation is shared: Image refers to the opinion of an organization by an individual or a specific group of stakeholders who can only evaluate an organization by the aspects that they know and that are relevant to them (Fombrun & Van Riel, 2004; Lemmink, Schuijf, & Streukens, 2003).

A positive corporate reputation is important for a company because of its effect, that is, the supportive behavior of stakeholders toward the company, also referred to as reputation capital (Barnett et al., 2006; Brønn & Buhmann, 2018). From extensive research, we know that a positive reputation provides an important competitive advantage by its effect on sales, the attraction of qualified staff, the willingness to invest, positive word-of-mouth intentions, and the benevolence of the public in general (e.g., Bitektine, 2011; Caruana et al., 2006; Fombrun & Shanley, 1990; Gray & Balmer, 1998; Hon & You, 2021; Negro et al., 2014; Turban & Cable, 2003). Since reputation is difficult to imitate and non-substitutable, a positive reputation can be seen as an important, intangible asset of companies (Barney, 1991; Brønn & Buhmann, 2018; Rangone, 1999).

Similar to the concept of identity, research on corporate reputation displays different approaches, partly due to the various academic fields that have contributed to its study (Dowling, 2016; Fombrun et al., 2000; Ravasi et al., 2018).
Broadly speaking, these different approaches can be classified into two main foci: (a) Research that focuses on the reputation construction from the organization’s point of view, that is, how organizations attempt to influence stakeholders’ perceptions and evaluation of the organization, and (b) research that investigates reputation construction from the stakeholders’ perspective, that is, the study of how stakeholders process information and how this leads to an evaluation of the organization. Since this dissertation handles identity connection from the viewpoint of the organization, the first perspective on reputation construction is relevant to this dissertation. The stakeholder perspective is only relevant insofar as the owning family accounts for judgement by stakeholders in its decisions.

From the point of view of the organization, reputation can be seen as an intangible asset because it reflects stakeholders’ overall evaluation of the organization compared to competitors (Ravasi et al., 2018). As such, it is a resource that should be actively managed by the organization and can be deployed in interactions with stakeholders. This approach is most prominent in the early work from renowned reputation scholars such as Fombrun and Van Riel (e.g., Fombrun & Shanley, 1990; Fombrun & Van Riel, 1997). In the resource based view (RBV), an influential theoretical perspective in the field of family firms, reputation is also seen as a valuable and inimitable resource (Barney, 1991). It is important to note that this perspective does not assume that organizations are in control of their reputation. It does, however, emphasize the active role of the organization in the development of reputation and focuses on (the consistency of) the signals that organizations send to stakeholders about their identity. Since these signals are transmitted through organizational behavior, communication, and symbols (Birkigt & Stadler, 1986; Rindova et al., 2005), these are all relevant in the study of reputation.

More recent views on the construction of reputation acknowledge different approaches to identity. For instance, scholars in this field have begun to embrace the approach that views reputation as the result of communicative interactions between organizations and actors in their environment (Ravasi et al., 2018). This resembles the postmodern perspective on organizational identity, which views organizations as discursive entities (He & Brown, 2013). This means that, similar to the conceptualization of identity as a process of social construction, reputation can be seen as a social construction, the temporary result of ongoing evaluations of organizations shared by stakeholders based on their perceptions of organizational identity. It may be clear from Section 3.3.1 that I share this view.

3.3.3 Behavioral dimensions of reputation

Since the identity of an organization affects its goal setting and behavior, it is implicitly assumed that the organization’s behavior and actions reflect its identity (Scott & Lane, 2000). Stakeholders directly or indirectly experience and observe this behavior through interactions with the organization and with their peers and through media publications. They develop perceptions about the organization’s
identity, and they form an opinion. However, not all behaviors are equally relevant, important or even observable to all stakeholders. For example, the quality of the company’s products and/or services, is typically relevant and important for customers and can be observable by direct experience or become observable by the sharing of experiences in peer groups. Work place environment is typically relevant and important for employees and applicants, but difficult to observe for an applicant, who will have to rely on indirect experiences that are shared, of information from media, which may include the organization’s own channels. Stakeholder in the community will have an interest in the organizations socially responsible behavior, while shareholders will be interested in innovation and evaluate financial performance (Harrison, 2013), and so on.

Figure 1 The corporate reputation construct as developed by RepTrak (2017)
To illustrate these different areas of interest, Figure 1 presents a conceptual model of reputation and the dimensions that are found to be important to stakeholders. This particular model is known as the RepTrak™, and was developed by scholars from the Reputation Institute in New York (currently renamed RepTrak), based on both quantitative and qualitative research (Fombrun et al., 2015).2 As Figure 1 shows, corporate reputation is presented as the emotion or attitude towards a company as a whole, the core areas being trust, esteem, admiration and a good feeling in general. This emotion/attitude is driven by evaluations of specific dimensions of that company. Since each of these dimensions can be important to one or more stakeholder groups but not necessarily to all, a company’s image can be based on one perceptions about one dimension, whereas its reputation is a cumulated evaluation of stakeholders in general, built from the amalgamation of different images and developed over time (Fombrun et al., 2015; Van Riel, 2012).

In conclusion to this section, the concepts of organizational identity, corporate identity, and corporate reputation in this thesis are related as follows (see also Figure 2): The organizational identity is organizational members’ shared sense of self that provides the basis for corporate identity as the intentional expression of organizational identity by behavior, communication and symbols. Intentional and unintentional expressions are either directly or indirectly observed or experienced, interpreted, and evaluated by stakeholders through the sharing of experiences and evaluations with peers and through media coverage. Shared and lasting perceptions develop into a corporate reputation, which is a co-constructed, endurable evaluation of the organization by stakeholders. This evaluation, in turn, can affect both organizational identity and decisions about corporate identity when organizational members experience misalignment between identity and reputation.

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2 Various scholars have attempted to capture the antecedents of a corporate reputation with similar dimensions as a result. Although models such as these have been criticized, for instance because they do not explain both the similarities and the differences with other organizations, I include the model for the sole purpose of illustrating that reputation is a multidimensional construct, based on the perceptions and evaluations of multiple (groups of) stakeholders.
3.4 The post-modern view on identity elaborated

As highlighted by the postmodern approach of identity (see section 3.2) as dynamic, there is a growing acceptance among organizational identity scholars that identities can be conceptualized as a continuous process (He & Brown, 2013) of (re)construction. Scholars that approach organizations as closed systems, explain this process through interactions between elements within the organization (e.g., Seidl & Becker, 2006). Within the approach of organizations as open systems, the emphasis is on interactions between organizational members and elements in the environment (Corley et al., 2006; Gioia et al., 2000; Hatch & Schultz, 2002; Martin et al., 2011; Schultz & Hernes, 2013). Perceptions held by organizational members of (changing) expectations from the environment are central in processes of change. When these perceptions are incongruent with how the organizational members’ see the organization, this creates stress, which motivates change. For instance, Gioia et al. (2000) developed a model which explains how this process is based on comparisons by insiders of the organizational identity and what they believe the environment would prefer the organization to be. The result of these comparisons can be a sense of alignment or misalignment, of which the latter will be an incentive for change. In a similar way, individual identities can be conceptualized as a process. Discrepancies between an individual’s sense of self and expectations from the environment create stress, which motivates individuals to change (Burke, 1991). Identity is thus the temporary result of a construction process and therefore it can change.

The notion of identity change seems to contradict the ‘enduring’ character of identity features (CED; Albert & Whetten, 1985). However, Albert and Whetten (1985) also addressed identity change by accounting for life cycles of organizations. Life cycles constitute long periods of relative stability, in which organizational characteristics can be sensed as enduring, then a predestined...
change follows, after which another long period of relative stability starts. The difference with the post-modern view is that the latter does not assume these long periods of stability, but sees identity formation as a continuous process of negotiation about meanings of which the outcomes are not predestined. To solve the contradiction between the enduring character of identity features as perceived by organizational members and the acknowledgement that organizational identity construction is a process, scholars have adopted the notion that organizational members continue to use the same identity labels to satisfy the need for continuity, while the underlying meaning of those labels can change (Gioia, Padvardhan et al., 2013).

The Cognitive Dissonance Theory (CDT) (Festinger, 1962) can explain the psychological process that underpins this identity change. According to this theory, discrepancies in an individual’s cognitions cause psychological ‘unrest’, which an individual will want to reduce by changing cognitions (Aronson, 2019; Garai, 1986; Harmon-Jones, 2000). In organizational identity and management literature the cognitive dissonance theory has been used to explain changes in managerial decision making and the broader context of the organization (e.g. Hinojosa et al., 2017; Martin et al., 2011; Wang et al., 2016). In paper 4 we applied this theory to gain a better understanding of identity changes due to the COVID-19 pandemic. In the literature frame of this paper, we elaborate on CDT as follows:

This theory explains how individuals react when they hold two or more contradicting or colliding cognitions. According to Hinojosa et al. (2017, p. 173), cognitions are defined as ‘any mental representation, and as such, cognitions include attitudes, beliefs, or knowledge of one’s own behavior’ or of ‘things in the environment’” (Festinger, 1962, p. 93).

Cognitions are considered as dissonant or consonant to a specific focal cognition held by a person (Harmon-Jones & Harmon-Jones, 2007). For instance, in relation to the cognition “I am a restaurant owner,” which includes “I am hospitable,” being attentive to guests is a consonant cognition, whereas being rude is a dissonant cognition. When people have cognitions that are mutually inconsistent, that is dissonant, they experience cognitive discrepancy (Cooper, 2019; Festinger, 1962; Harmon-Jones & Harmon-Jones, 2007; Harmon-Jones & Mills, 2019; Hinojosa et al., 2017). This includes when “people are exposed to information that is inconsistent with their beliefs (…), whenever a person engages in an unpleasant activity to obtain some desirable outcome (…), [or] when a person does or says something that is contrary to a prior belief or attitude” (Harmon-Jones and Mills, 2019, pp. 6–7). Additionally, people can experience discrepancy when they evaluate the alternatives to a decision that has already been made (Harmon-Jones & Mills, 2019).

Cognitive discrepancy induces psychological discomfort in individuals, which is an unrest, an unpleasant state, or a negative affective state (Harmon-Jones & Harmon-Jones, 2007; Hinojosa et al., 2017).
magnitude to which people experience this psychological discomfort depends on “the number and importance of cognitions that are consonant and dissonant with the one in question” (Harmon-Jones & Mills, 2019, p. 4). For instance, a restaurant owner would experience less psychological discomfort when s/he was asked to change the operating hours of the business as compared to when s/he was requested to suspend the business operations altogether. As people in general prefer a balanced state of mind (Cooper, 2012), this feeling of discomfort will motivate individuals to reduce the (magnitude of the) dissonance (Harmon-Jones & Harmon-Jones, 2007). This can take different forms, including adding new consonant cognitions (e.g., new attitudes, behaviors, or beliefs) and subtracting dissonant cognitions, as well as increasing the importance of consonant cognitions and reducing the importance of dissonant cognitions (Harmon-Jones & Harmon-Jones, 2007). For instance, a restaurant owner requested to suspend the business operations could reduce the dissonance by adding a cognition about using the freed time for personal development. In cases in which the reduction attempt is unsuccessful, individuals will remain in an unpleasant state of mind and will thus continue to experience psychological discomfort (Hinojosa et al., 2017).

Noticeably, dissonance reduction focuses on changing the cognitions that are inconsistent with the cognition that is the most difficult to change. This is the case when the cognition is strongly embedded in reality and when it is consistent with various other cognitions. Especially the cognitions related to (past) behavior are difficult to change as individuals cannot reverse their behavior (Harmon-Jones, Harmon-Jones, & Levy, 2015). A restaurant owner who was rude to a guest, which is dissonant with the cognition of hospitality, will solve the resulting dissonance by thinking of reasons to justify this behavior. S/He may convince her/himself that this is not the type of guest that is wanted and/or that there is nothing wrong with showing other guests what s/he stands for.

Very relevant for the present study is the self-consistency view on cognitive dissonance (Aronson, 2019; Harmon-Jones & Mills, 2019; Hinojosa et al., 2017), which postulates that “situations that evoke dissonance do so because they create inconsistency between the self-concept and a behavior” (Harmon-Jones & Mills, 2019, p. 15). Since a behavior is strongly embedded in reality and is difficult if not impossible to change, individuals must seek the reduction of cognitive dissonance in changing the other cognitions involved, including their self-concept; in other words, changing their sense of identity (Aronson, 2019). For instance, when someone who sees her/himself as a non-flyer as a non-flyer goes to a conference by plane, the resulting dissonance may be reduced by changing her/his self-concept into “I only fly for professional reasons” or even “I only fly when there is no other option.” What follows logically from the theory but is important to emphasize is that cognitive dissonance
is a psychological and, thus, individual-level phenomenon, but individuals’ cognitions include beliefs and attitudes beyond the individual level, for example, about the family, the firm, and the environment (Paper 4, p. 8–10).

In short: When cognitions about their identity are in conflict with their own decisions and actions, individuals will experience cognitive dissonance (Aronson, 2019). To resolve this, individuals will try to align the conflicting cognitions by changing the ones that are least difficult to change (Aronson, 2019; Harmon-Jones & Harmon-Jones, 2007). Thus, based on the literature about identity change and on the insights from the CDT, we can approach identity change as a cognitive dissonance reduction strategy. Because individual identities also incorporate social identities, we can assume that individuals’ cognitions include cognitions about the groups they identify with, such as the family and the firm members, and that, in the case of dissonant cognitions, these are eligible for change.
4 Methodology, research design, and methods

In the previous chapter, I briefly explained different approaches to identity and their relation. Viewing these approaches as complementary instead of contradictory provides the opportunity to study identity formation of organizations from different yet integrated concepts of identity, with attention to iterations between the organizational identity, its representation to stakeholders and perceptions about reputation. In this chapter, I will explain and elaborate my methodological choices, beginning with the underlying epistemological assumptions, after which I clarify method, context, sample selection, data collection, and analysis.

4.1 Philosophical stance

To serve the development of theory, it is important that researchers explain their framework of ontological and epistemological assumptions and make sure their decisions on the use of theory and the research design are compatible with these assumptions (Fletcher, De Massis, & Nordqvist, 2015; Morgan & Smircich, 1980).

I am interested in the connection of family and firm identity in the context of family firms and, specifically, in how and why this connection is managed by the owning family. The body of theory as discussed in Chapter 3 makes clear that the concept of identity is subjective. It is essentially a sense of self, constituting subjective meanings that individuals attribute to themselves, to the group with which they identify, and to organizations. The connection between identities can be seen as the perceived, thus subjective, degree of overlap between these identities that results from conscious and unconscious decisions and actions by the owning family. In addition, changes in identity are based on, again, subjective interpretations and a sense of incongruence between these interpretations and the sense of self (Burke, 1991; Gioia, Patvardhan, et al., 2013). Thus, to understand identity-related phenomena, it is necessary to understand subjective meanings.

Hence, the ontological underpinning of this dissertation is constituted by the interpretive paradigm. In this paradigm, people are regarded as active interpreters of their own realities. Decisions and actions are seen as activities of people that are based on interpretations of events in their context. Research in this paradigm seeks to understand not how it is, but how people interpret and believe it to be and how this belief influences their actions. To reach this understanding, research should focus on a phenomenon in interaction with its context (Gioia, Corley, et al., 2013; Gioia & Pitre, 1990; Leppäaho, et al., 2016; Morgan & Smircich, 1980; Stake, 1995). This also means that research findings are related to the context in which this interpretation takes place and are themselves interpretations by the
researcher. The consequences of this stance for methodology and design will be explained in the next section.

4.2 Method: Review and case studies

4.2.1 Review

As described in Chapter 1, the studies in this dissertation include one conceptual paper and three empirical papers. Concerning the relations between theory and empirics, I follow Alvesson and Sköldberg (2009) in their view that pre-knowledge is a necessary dimension of interpretation (Alvesson & Sköldberg, 2009). The conceptual paper (paper 1) is the result of my strive to gain this pre-knowledge. I have familiarized myself with the relevant literature about reputation, and about family firms as the context. The paper discusses the corporate reputation concept theoretically and reviews how this concept has been approached in the family firm research field. It was published as a book chapter in 2015. The reviewed articles were first selected through an Internet search of articles and chapters published from 1990 to 2014 with “family business(es)” or “family firm(s)” and “reputation” and/or the related words “image” and/or “marketing” and/or “brand” in the title, abstract, keywords, or body. This resulted in a rather limited number of articles. To extend this collection, the search was broadened by a second round based on search words representing topics that were frequently mentioned in the papers from the first round: “family business(es)” or “family firm(s)” and “identity” and/or “competitive advantage” and/or “socioemotional wealth” and/or “non-financial goals” or “non-economic goals” in the title, abstract or keywords. The articles from the first round were all selected for analysis, while the articles from the second round were first read and then selected or dropped based on their relevance to the research question.

4.2.2 Case studies

The data for papers 2, 3 and 4 were collected with the case study method. A case study is appropriate to understand complex phenomena, because it allows for the use of multiple techniques to collect rich data on the individual level, group (family) level, and firm level and their interconnectedness (Eisenhardt, 1989; Langley, 1999; Leppäaho et al., 2016); at the same time, it enables comparison on the interfim level. The potential to include all levels in the data collection is particularly valuable for family firms because of the involvement of the family. Family members may or may not also be firm members but can nonetheless influence firm identity, decisions, and actions. In addition, a case study does justice to the heterogeneity of family firms (De Massis & Kotlar, 2014).

Depending on the ontological assumptions of the researcher, there are different views on how the case study method should be applied, in particular about the number of cases, the choice of cases, and the role of learning while researching.
For instance, Yin (2013) favors a somewhat positivistic approach in applying case studies. He argues for the use of multiple cases in which the theory is point of departure. The research should be meticulously prepared: researchers know exactly what to look for and by which techniques. The cases much be chosen based on the replication logic: the theory should explain both similar results in some cases (literal replication) and different results in other cases (theoretical replication). This approach does not align with my interpretive stance.

Eisenhardt (1989) also advocates multiple cases (from four to ten), but sees case studies as a bottom up approach with the goal to contribute to the development of emergent theories: ‘the specifics of data produce the generalizations of theory’ (p.547). This approach however, has been referred to as ‘hybrid’ by Dyer and Wilkins (1991) and criticized for losing ‘the essence of case study research: the careful study of a single case that leads researchers to see new theoretical relationships and question old ones’ (Dyer & Wilkins, 1991, p. 614). Stake (1995) argues also for a single-case study to fully catch the complexity of the phenomena within the circumstances. He sees the researcher as an interpreter who should aim to understand this particular case and to reach the full potential of what can be learned from it. Stake leaves room for adjustments, and thus for learning, during the study. He advocates that researchers follow their curiosity and gain experience by doing so. While the theory and research questions direct the attention of the researcher, they should never be a straitjacket (Stake, 1995). However different Yin’s and Stake’s views may be, Yin (2013) does acknowledge that single-case studies may sometimes be the preferred method, for instance, if the case can be labeled as unique, revelatory or longitudinal or if it represents a typical situation and the aim is to inform about common situations.

**Longitudinal single and multiple case studies**

The research purpose required that I gain an in-depth understanding of the micro-processes in the organization: the thoughts, motives, decisions and actions of actors and the relationship between them. The data for paper 2 were collected through a longitudinal single case study to gain the in-depth understanding as by advocated by Stake (1995) and Dyer and Wilkins (1991). The topic required a multilevel and longitudinal approach because, as stated earlier, identities are not static and neither is the relationship between family and firm. Moreover, Stake (1995) argues that researchers need time and practice to get acquainted with the case and to recognize important data. The longitudinal design facilitated this learning process (Stake, 1995).

The data for paper 3 were collected through a multiple case study of 12 family firms, while data from a subsample of nine firms were used for paper 4. These samples are elaborated in section 4.4. The longitudinal design allowed me to follow the company and the family members during a process of decision making and change that caused them to rethink and reflect on their identity as a family firm.
Action research

Active engagement of practitioners is important to generate results that have significance for practitioners, in addition to their theoretical contribution (Van de Ven, 2007). Therefore, the multiple case studies in papers 3 and 4 were designed as an action research project. Action research involves interventions in organizations for the purpose of generating both academic and practical value (Huxham & Vangen, 2003). The practitioner is not seen as passive and seeking help, but as an active partner with a potential for development and learning (Davydd, William Foote, & Ira, 1993; Flood, 2010; Lewin, 1946). According to Flood (2010), an authentic explanation of any action “requires participation of all stakeholders, that is, all people involved in taking action as well as people affected by those actions. This may be achieved only if people enter into an action context as both an actor and a researcher” (Flood, 2010, p. 277). Although action research has been questioned by some scholars due to the risk that the researcher will become a consultant rather than a researcher and that the outcome may contaminate scientific results (Wittmayer & Schäpke, 2014), other scholars, such as in the strategy field, have drawn attention to the importance of studying actual practices and processes (e.g., Balogun, Huff, & Johnson, 2003; Pettigrew, 2011).

In my research projects, I used action research because it allowed the close monitoring of owners’ deliberations about their family firm identity, about their own identity as business owners, and about the interests of people who might be affected, while they were doing identity work. As the brief discussion above suggests, action research requires participants to take on multiple roles, which “blurs the boundaries between participants” (Wittmayer & Schäpke, 2014, p. 486). For me as a researcher, this meant that I also acted as, for example, a process facilitator, knowledge supplier, and mediator between different perspectives. Since different roles are inherently connected to issues of an epistemological nature, such as views on ownership of the problem and the process, and the role of values and norms in the outcome, the action research approach required my awareness of and regular reflections on these issues, both internally and with other participants. These reflections included my roles, my language usage and the interpretation of the responses. I explicitly expressed and clarified these roles when in direct contact with participants, for example, by stating that “today, I am only observing your actions,” or by drawing boundaries between roles in response to questions from the participants, for example, “I can’t answer this question yet because this phase of the research is about collecting your thoughts and opinions and not about what I think. We can discuss your options in the next phase.”

Section 4.5 focuses on the data sources and the collection techniques that were used, but I will first elaborate on the context (4.3) and the sample selection (4.4).
4.3  Context

4.3.1  Family-owned SMEs in the Netherlands

The family firms in this research are situated in the Netherlands and belong to the category of SME\(^3\). In the Netherlands, 59\% of the firms are family firms (CBS, 2021). Although they are represented in all size categories, they are not evenly spread. In general, this means that the smaller the company, the larger the chance that it is a family firm. For instance, of the large firms in the Netherlands, only 21\% are a family firm, while 72\% of the micro firms are a family firm (see Appendix 2 for tables and figures regarding the spread in size, region, and industry of family firms in the Netherlands).

There are theoretical and practical reasons for the limitation of the sample to SMEs. First, although most family firms are SMEs, they are an underdeveloped context in research practices in the field of family firms (Brundin & Nordqvist, 2008). The results of studies of large firms related to the topics of this dissertation, that is, identity, communication, and reputation, cannot be generalized to incorporate small- and medium-sized firms because larger firms often have different ownership structures with less visible families. Furthermore SMEs have specific advantages and disadvantages when managing their reputations and owners display different attitudes toward this activity (Bocconcelli et al., 2018; Inskip, 2004; Krake, 2005; see also Chapter 2).

Second, as a researcher from Windesheim University of Applied Sciences, I have a desire and an obligation to contribute to SME practitioners. According to Pettigrew (2011), conditions for policy and practical impact include established relationships and networks with user communities, the involvement of users, portfolio building of research activities, and management support for knowledge exchanges. Windesheim University meets these conditions. As a knowledge center, it has a regional focus, and most businesses in the region are SMEs. Apart from the sampling opportunities this provided and the facilitation of access due to the university’s reputation, the focus on SMEs in the region raises the chances of practical impact.

4.3.2  The hospitality sector in the Netherlands

The sampled firms all belong to the hospitality sector. In addition to the presence of family firms in size categories, we also find large differences regarding their presence in industries. Family firms are well represented in, for instance, the sector Agriculture and Fishing but much less in Information and Communication: 90\% and 33\%, respectively (CBS, 2021; see Appendix 2).

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\(^3\) For SME, the definition of the European Committee was used: “The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro.”
In the hospitality sector, 70% of the firms belong to the category of family firms. This sector was chosen as the research context for its typically large overlap of professional and private life (Lashley & Rowson, 2010). This is due to the opening hours, (e.g., in hotels, 24/7 is not an exception), the direct interaction with guests (Kallmuenzer, Peters, & Buhalis, 2020), and the similarity between family values and values that are considered as vital in the industry, such as hospitality, safety, and hygiene. In such a setting, the boundaries between the family identity and the firm identity are blurry (Lashley & Rowson, 2010), and the instances in which this creates friction between family and firm interests are manifold and show up at the surface (Lashley, 2015). As such, these circumstances facilitate the collection of data. Furthermore, the use of the internet is an important trend in this sector (Leung, Law, van Hoof, & Buhalis, 2013). Travelers and potential guests search, share, and comment through blogs, online communities (Facebook, TripAdvisor), and sharing sites (e.g., YouTube, Instagram, TikTok). Furthermore, as private persons, family members and firm members “broadcast” their experiences through these channels, and these are not always meticulously separated from their professional lives. Thus, online platforms and channels can play an important role in the expression, development, and management of identity and reputation and, thus, on the management of the identity connection.

4.3.3 The COVID-19 pandemic

While the multiple case study project started at the end of 2018, the participation of the firms in the research project was challenged from the beginning of 2020 by the COVID-19 pandemic. The hospitality sector was severely affected by the measures that were taken by the Dutch government to contain the pandemic. All businesses in this sector were completely or partially closed for multiple periods of time. Even when open, mandatory restrictive measures, such as a limitation on guests and vaccination checks, caused high costs and low turnover (a more detailed overview of the governmental measures regarding the hospitality sector can be found in paper 4). Thanks to their financial resources and additional financial support from the government, none of the case firms went bankrupt during the course of this research. However, the uncertainty and fear of losing the firm affected the mindset of the participants and their capability and willingness to participate in data collection activities. As a researcher, this situation required a lot of empathy, patience, flexibility, and the willingness to adjust research plans. These adjustments concerned both the aim of the study, the research questions, and the data collection. Although the majority of the data were collected before the COVID-19 outbreak, from 2020 onward, adjustments to the data collection process varied from postponing and rescheduling interview sessions, replacing data sources and methods, such as focus group sessions, and replacing live interview sessions by online interviews. Nonetheless, as stated in Chapter 1, despite the severe consequences of the governmental measures for the hospitality sector and, thus, for my respondents, this period also presented a huge opportunity
Methodology, research design, and methods

to study identity change processes in family firms. The results of this research are presented in paper 4.

4.4 Sample

4.4.1 Sample selection

The firm in the single case study of paper 2 was selected based on “planned opportunism” (Pettigrew, 1990). This is a sampling method in which the researcher approaches a company at a specific moment, usually determined by a critical incident. This unusual context can be seen as a natural research setting because processes are more transparent and better observable in extreme situations, which means that these situations provide a clear point of data collection. A deviation from what is normal makes people aware of tacit routines and helps to reflect on these practices (Pettigrew, 1990).

The firm was selected based on publicly accessible, written information on its website and in trade magazines, which revealed its suitability for the purpose of the paper: It is a multigenerational family firm, identifies itself as such, and—at the time of the data collection—had gone through and was still going through identity-related changes. This process of change raised the owners’ willingness and ability to reflect on the identities of firm, family, and individual family members. The critical incident that I used to gain access to the firm was its upcoming exit from a hotel chain with a specific franchise formula. This exit meant that the owners had to reconsider the firm’s identity and the communication of this identity as an independent hotel–restaurant. After a first, exploratory interview about this exit, the owning family granted me deep access over a two-year time period. This allowed me to become familiar with the company and the owners and to take time to build trusting relationships. Other firm members, both family and nonfamily, could also become familiar with my presence. As a consequence, I could observe actions and listen to conversations as they took place and initiate formal and informal conversations with a variety of respondents.

The firms in the multiple case studies in papers 3 and 4 were selected after their response to a call for participation (see Appendix 1) in a research project about family firm communication. As previously mentioned, this research project was set up with an action research design. From the 34 responding family firms (of which none was larger than 50 employees), I initially selected 20. This first selection was based on interviews with the owners with the goal of establishing the suitability of the companies for the intended study and their willingness to cooperate. The final sample of twelve firms was purposively selected based on their core businesses (e.g., restaurant, hotel, wellness center), age, size, and ownership structure to obtain a variation of respondents within the limitation of the industry and size (SME).
Three firms withdrew during the course of the research project. One firm withdrew in 2019 in an early stage of the project. Two other firms withdrew during the COVID-19 pandemic in 2020 and 2021. For this reason, paper 3 is based on data from the original sample of twelve firms, while paper 4 is based on

<table>
<thead>
<tr>
<th>Firm</th>
<th>Ownership</th>
<th>Size</th>
<th>Respondents</th>
<th>Paper</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hotel &amp; restaurant &amp; party center</td>
<td>4th generation, wife &amp; husband (daughters work in the firm as a side job)</td>
<td>Small</td>
<td>The owners, the daughters, several employees</td>
</tr>
<tr>
<td>2</td>
<td>Restaurant &amp; event center</td>
<td>3rd generation, brother and sister (several family members are employees)</td>
<td>Small</td>
<td>The owners</td>
</tr>
<tr>
<td>3</td>
<td>Hotel &amp; restaurant</td>
<td>2nd generation, brother and sister</td>
<td>Small</td>
<td>The brother</td>
</tr>
<tr>
<td>4</td>
<td>Wellness center</td>
<td>3rd generation, wife and husband, daughters are employed</td>
<td>Small</td>
<td>The husband and one daughter</td>
</tr>
<tr>
<td>5</td>
<td>Party center &amp; restaurant</td>
<td>4th and 5th generations, father and son (mother and younger brother are employees)</td>
<td>Small</td>
<td>The owners and the son/brother, one nonfamily employee</td>
</tr>
<tr>
<td>6</td>
<td>Restaurant &amp; party center</td>
<td>4th generation, brother and sister</td>
<td>Small</td>
<td>The owners</td>
</tr>
<tr>
<td>7</td>
<td>Restaurant</td>
<td>1st and 2nd generation, parents and son + wife</td>
<td>Micro</td>
<td>Father and son</td>
</tr>
<tr>
<td>8</td>
<td>Hotel &amp; restaurant</td>
<td>2nd and 3rd generations, mother and son</td>
<td>Small</td>
<td>The owners</td>
</tr>
<tr>
<td>9</td>
<td>Hotel &amp; restaurant</td>
<td>1st generation, two brothers (second generation sons/cousins are employees, preparing for succession)</td>
<td>Small</td>
<td>One owner and his two sons as successors, one employee</td>
</tr>
<tr>
<td>10</td>
<td>Hotel &amp; restaurant</td>
<td>4th and 5th generations, husband, wife, and son</td>
<td>Small</td>
<td>The owners</td>
</tr>
<tr>
<td>11</td>
<td>Cafeteria</td>
<td>1st generation, One owner, wife, daughter, and son are employed</td>
<td>Micro</td>
<td>The owner, wife, daughter, and employee</td>
</tr>
<tr>
<td>12</td>
<td>Campsite</td>
<td>2nd and 3rd generations, mother and six children (not all siblings work in the company)</td>
<td>Small</td>
<td>A brother and sister</td>
</tr>
<tr>
<td>13</td>
<td>Campsite</td>
<td>3rd generation, 1 owner</td>
<td>Small</td>
<td>The owner and the manager</td>
</tr>
</tbody>
</table>
data from the subsection of nine firms that continued their cooperation. Table 1 presents an overview of the case firms with their main features. This table can also be found in Appendix 3, along with a brief general description of each firm including location, core business, age, ownership, and communication habits.

4.4.2 Sample characteristics

As stated, all firms selected for this study belonged to the category of SMEs. Specifically, they were micro to small family firms, the smallest with five employees. While middle-sized companies (50–250 employees) were not intentionally excluded, in the chosen sector, micro and small companies form a large majority (see section 4.3.1 above and appendix 2). This fact and the sampling methods affected the average size of the companies in the final sample.

In terms of ownership and management, all case firms were fully family-owned and managed and identified by the owning family as a family firm. Furthermore, at the time of the sample selection, all but two were owned by the second or a later generation. In one of the exceptions, the second generation had just finished a bachelor’s degree in hospitality, was employed by the firm, and had plans to succeed the current owners in the future. In the other firm, the owner repeatedly expressed the desire that his children would take over the firm. In short, in all participating firms, the owning families had full power, were aware of the identity of their firm as a family firm, and intended to transfer ownership within the family.

With two exceptions, in all firms non-owning family members participated as employees/coworkers in the firm to a larger or smaller extent, from full employment to side jobs to helping out on a busy day. These family members might be the spouse, the previous generation (parents, but also aunts and uncles), brothers and sisters of the current owners, and the children as the next generation.

Based on these characteristics, we might say that the participating firms took a rather similar position on the identity integration–segmentation continuum (Sundaramurthy & Kreiner, 2008; although I have no insight into the fifth dimension of this continuum, that is, the flow of finances between family and firm). The only significant difference between the firms was related to the degree to which and how the firms expressed their family firm nature, from not at all to rather actively. For instance, two firms signaled their connection to the owning family by eponymy, that is, the family name was part of the firm name. Only one of these firms also used additional signals, such as pictures and texts on the website and family artifacts and communication on the work floor (examples of visual and textual material can be found in Appendix 4). In terms of the communication strategies on websites, as identified by Micelotta and Raynard (2011; see Chapter 2), the majority of the firms could be categorized in the family subordination strategy, meaning that the firm is the main carrier of identity. The firm’s communication emphasizes products and services, and messages contain minor or no references to the owning family. Three firms could be categorized in the family enrichment strategy, in which the family identity is used to support
quality claims about products and services. None of the firms used the family preservation strategy, in which the family is the main carrier of identity. What all participating owners had in common was their desire to explore if and how expressing their family firm identity (at all or more actively) could be beneficial and how this could be executed, which guaranteed their willingness to reflect on and discuss their identity as a family firm.

4.5 Data collection and analysis

4.5.1 Data collection

The data that were collected in this study consisted of verbal and visual data. The visual data were collected through observation of real-time behavior of the firm and individuals and their use of graphic material such as photos and other pictures in the physical location of the firms and on their websites and social media (examples of visual data can be found in Appendix 4). Verbal data were collected through written and oral sources. The written data consisted mainly of the firm’s communication on websites and other channels and media, while the oral data were collected through semi-structured interviews and conversations with internal stakeholders (i.e., the owner–managers, family members, and family and nonfamily employees) and focus groups, complemented by observations of meetings and interactions.

The use of focus groups is an efficient data collection tool because it facilitates interaction with practitioners and provides the advantage of real-time rich data due to the exchange of ideas and arguments in the discussion (Balogun et al., 2003; Brundin, 2007). Since identity is the result of a negotiation process between stakeholders, this data collection technique provided the opportunity to observe how the family and family members develop an understanding of their identity. Besides these advantages, discussion groups can encourage practitioners to reflect on their own practice and enable dialogue between the researcher and the respondents (Balogun et al., 2003). A narrative approach was used to collect part of the data, in particular, the data for paper 2. Specifically, the data from open conversations qualify as stories, although during semi-structured interviews, the respondents also used stories to reflect on identity processes and to illustrate practices stemming from these processes.

Apart from the collection of visual material as data, I used visual research methods to facilitate the collection of data. Visual research methods have a wide applicability and are increasingly used in social sciences (Langmann & Pick, 2018; Rose, 2014). During the data collection period for the single case study in paper 2, I was granted only one interview with the young daughters of the owning family, with the instruction not to approach them as successors. Because of this instruction and the sensitivity of the subject of family relationships, I applied the photo-elicitation method. This method is characterized by the insertion of photographs into a research interview with the purpose to elicit respondents’
perceptions, memories, and concerns (Langmann & Pick, 2018). As such, this technique fits well into the interpretive paradigm.

The main purpose of the application of this method was to lessen the possibly uncomfortable and unfamiliar setting of a formal interview and lower the threshold to respond. About 40 postcards with photos were used. The photos had different subjects that were not related to the company or family, such as animals, flowers, buildings, utensils, furniture, means of transportation, and wall texts. I guided the conversation by asking the daughters to choose a card that they associated with, for example, the firm and then to explain why they had chosen this card. For instance, “Can you pick a card that reminds you of the firm?” or “Thinking of your mother, which postcard best suits your thoughts?” This technique gave the interviewees more control over their answers because they were free in their choice of cards and in their responses. Furthermore, they could interact with each other by providing feedback, additional input, or confirming or negating their sister’s responses. Their answers shed light on how they perceived their relationship with the company and with family and family members as well as their own role in the present and future of the family firm.

Another way of using visuals to aid data collection is by asking respondents to collect visual materials. I applied this in the action research project in an active, workshop-like setting in which family owners, family members, and participating nonfamily firm members were asked to create a magazine about the firm. More specifically, I asked them to use the magazine as a metaphor for their firm: “Suppose your firm is a magazine, what would you put in it? What sections would you like to have in it? What images? And what would you write about, with what purpose?” The respondents assembled their magazine by cutting photos, headlines, and texts from other magazines. Data consisted of notes about interactions between respondents and choices for visual and textual content that I made as a non-participant observer. At the end of the workshop, I asked respondents to present their magazine and reflect on their choices. In addition, I asked them how often they would like to publish the magazine, who they thought their readers would be, and which channels they would use. This interactive session provided not only me but also the participants with insights into their own and each other’s sense of identity as a firm and a family, the involvement and role of the family, preferences of individual members for involvement and communication, perceptions about their stakeholders, and their own communication skills.

**4.5.2 Data analysis**

Alvesson and Sköldberg (2009) distinguish between inductive, deductive and abductive methods. In an inductive method the researcher does not have a theoretical lens, but develops theory through comparative analysis (Glaser & Strauss, 1967). This method requires that researchers ignore any pre-knowledge, assumptions and values they may have. However, I agree with Pettigrew (1997) that this is not possible because your frame of reference guides what you see. Also
a deductive approach, which departures from the theory, would not have been suitable because I aimed to understand a dynamic relationship, rather than testing a theory. Thus, to make full use of the qualitative design while simultaneously acknowledging my theoretical point of departure, I used an abductive approach in order to remain sensitive to data that did not fit predetermined labels. This approach allowed me to look at the empirical material through a theoretical lens and juxtapose the data to the theory, back and forth, to reach understanding (Eisenhardt, 1989; Alvesson & Sköldberg, 2009; Tavory & Timmermans, 2014). This means that data collection and analysis were not successive and separate stages during the study, but continued rather iteratively: the preliminary analysis of the first data guided the collection of new data from different or additional sources (see Figure 3 for the graphic representation of this process, as presented in paper 2).

The unit of analysis in each of the empirical studies was different. In the single case study (paper 2), the unit of analysis was the management of the connection of the family to the firm and how this impacted the family and individual family members. In the multiple case study in paper 3, the unit of analysis was the perceptions of the family firm owners about expressing the family firm identity in communication and the effect of these perceptions on the intention to express their family firm ownership. In the multiple case study of paper 4, the unit of analysis was identity change on individual, group, and firm levels as a response to exogenous shock and the differences between firms.

The collected oral data from conversations, interviews, discussion groups, and observations were transformed into written data in the form of notes and, in the case of conversations and interviews, in transcripts. In total, over 95 hours of

![Data collection and analysis diagram](source: paper 2)
Methodology, research design, and methods

Interviews and conversations were transcribed, and notes were taken from roughly 30 hours of plenary/group sessions. The data for paper 2 were analyzed on individual, group and firm levels with support from qualitative data analysis software to identify recurrent themes. The data for paper 3 were manually analyzed, starting with an interpretation and recoding of the transcribed texts from individuals responses (Gioia & Pitre, 1990) and categorizing these codes into second order codes based on earlier literature to represent owners’ motives to express the family firm identity. Triangulation took place by comparing the preliminary findings with texts’ on websites and social media and by checking the interpretation of the data with respondents (Gioia & Pitre, 1990; Van de Ven, 2007). These were then categorized into four boxes. The data for paper 4 were analyzed on individual, group, and firm levels. The first step in the analysis involved the identification of all changes in each firm, family, and owner that were initiated to cope with the consequences of the governmental measures. To do so, we focused on language, particularly verbs, that indicated change. The second step focused on the selection of identity changes. In the third step we aggregated these identity changes in higher order codes. The cross-case analysis in the last step served to identify the most common identity changes during and after the pandemic and explain differences between family firms.

In the writing up of these studies considerable attention was dedicated to the empirical accounts, to provide the reader with an understanding of the dynamics of the case and the context. The papers are summarized in the next chapter.
5 Overview and summary of the papers

This chapter presents a summary of the four appended papers. Table 2 contains an overview of the main features of each paper.

Table 2 Overview of the appended papers

<table>
<thead>
<tr>
<th>Paper 1</th>
<th>Paper 2</th>
<th>Paper 3</th>
<th>Paper 4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Title</strong></td>
<td>Corporate reputation and the family business</td>
<td>“Who am I? Who are we?” Understanding the impact of family business identity on the development of individual and family identity in business families</td>
<td>Revealing the family firm identity? Not everything is about the family or the firm</td>
</tr>
<tr>
<td><strong>Purpose</strong></td>
<td>To create awareness among family business scholars and students of the potential of corporate reputation research in the field of family business and offer suggestions for future research</td>
<td>To explore how the interplay between the business identity and the identity of the owning family can take place in a multigenerational family firm</td>
<td>To provide a deeper understanding of the heterogeneity of family firms concerning their communication strategy to reveal or conceal their family firm nature</td>
</tr>
<tr>
<td><strong>Theory</strong></td>
<td>Corporate communications/corporate reputation</td>
<td>Identity theory</td>
<td>Corporate communications</td>
</tr>
<tr>
<td><strong>Design</strong></td>
<td>Conceptual chapter with literature review</td>
<td>Longitudinal single case study</td>
<td>Longitudinal multiple case study</td>
</tr>
<tr>
<td><strong>Current status</strong></td>
<td>Published as a book chapter in 2015</td>
<td>Published in Journal of Family Business Strategy in 2019</td>
<td>An earlier version was presented at the online EIASM workshop and the IFERA conference in 2021</td>
</tr>
</tbody>
</table>
5.1 Paper 1 - Corporate reputation and the family business

While a good corporate reputation is an important source of competitive advantage, the concept of corporate reputation is a largely neglected topic in the family firm literature. Therefore, the main purpose of this chapter is to create awareness among family business scholars and students of the potential of corporate reputation research in the field of family business.

Corporate reputation is defined as the overall, endurable assessment of an organization by stakeholders relative to their expectations and in comparison to other organizations. This assessment is based on perceptions about the organization’s product/service quality, innovation orientation, workplace environment, governance, citizenship, leadership, and performance. A good reputation has a positive effect on sales, on the attraction of skilled employees and investors, and on stakeholders’ general willingness to give recommendations.

A review was conducted to investigate how reputation has been approached in the research field of family firms. Although few studies have reputation as their key concept, several studies from a marketing and managerial perspective touch upon it. The following three streams of literature are identified:

1. The external stakeholder perspective: The articles in this group examine the effect of family ownership on external stakeholder assessments of family firms, often in comparison to nonfamily firms. Most studies identify a higher preference for family firms.

2. The internal perspective: The articles in this group focus on the effect of reputation concerns of the owning family on behavior of the firm. Differences in behavior between family and nonfamily firms are explained by the higher effort of family firms to build and safeguard a positive reputation.

3. The marketing/branding perspective: The articles in this group use the marketing perspective by going into the opportunities that family firms have to use their family firm identity in their communication to capitalize on the positive collective reputation of family firms.

The chapter contributes to the family firm literature by providing avenues for future research. One of the things missing in the literature, for instance, is a conceptual model of reputation that would allow reputation to be more systematically studied in family firms. Current models from the corporate communications literature have limited value because they are based on the research on large and/or listed companies, while the majority of the family firms
are SMEs. Furthermore, it is likely that the reputation of family firms is based on additional or other antecedents, such as the behavior of family members or the associations that stakeholders may have with family firms in general. Regarding the consequences, at least one possible additional consequence in family firms is the effect of the firm reputation on the family. Thus, an important challenge for future research would be to develop a reputation model that is valid for family firms.

Other limitations of current literature are the lack of attention on the heterogeneity of family firms, the partly ambiguous results, and the one-dimensional focus on family firms’ citizenship as a driver of reputation. Furthermore, a large portion of the attention goes to consumers’ assessment of family firms. Future studies can address these limitations.

In the articles from a marketing perspective, the underlying assumptions are that family firms in general have a good reputation and that communicating this firm characteristic is beneficial. Future research can investigate if these assumptions hold, under what conditions, and how this works. For instance, which contents should be communicated to which stakeholder groups to enhance a positive assessment?

The lens of corporate reputation can provide an alternative explanation of family firm behavior and success. Future research should be conducted on multiple levels and should cover the broad spectrum of the reputation construct, including family firm specific features and the communication thereof. Therefore more attention for qualitative methods is needed, in addition to the quantitative and theoretical approaches in most of the presented studies.

5.2 Paper 2 - “Who am I? Who are we?”
Understanding the impact of family business identity on the development of individual and family identity in business families

The aim of this study was to explore identity development in the context of family firms. One of the differentiating characteristics of family firms is the overlap of family identity and firm identity. Previous literature assumes that the identity of the owning family influences the identity of the firm by the connection of the firm to the unique values, heritage and other distinctive characteristics of the owning family. However, identity theory suggests that identity formation is a dynamic process based on iterations with the environment and interpretations of the past identity. By building on this theory, it can be reasoned that the identity process of family firms stands in a reciprocal relationship with the identity process of the owning families. In other words, the firm identity can also influence the family identity.

To explore how this influence can manifest itself, a longitudinal single case study was conducted. The case firm was a small, multigenerational hotel in the
Netherlands, fully owned and managed by a descendant of the founding family and her husband. The current owner is the youngest of four children. The hotel has shared its name with the owning family since its foundation and the owners strongly identify the hotel as a family firm and themselves as the owners, in behavior, communication, and symbols. However, when the owners married, the female descendant decided to adopt her husband’s name and their children also carry his name. Thus, the shared family-and-firm name as an expression of closely-related identities is disappearing. The study investigates how the family maintains and expresses the ties between the family and the firm, both for internal and external stakeholders, and how this affects their identity. Data collection methods were interviews and informal talks with family members and nonfamily employees. Additional methods were observations of staff meetings and a review of company documents and publications from third parties.

The findings show that the firm identity influences the family and individual identities in each phase of ownership. In the pre-ownership phase, the shared name and the visibility of the family in the community leveraged a strong awareness of family membership and of the distinction from other members of the community. It also created an awareness of being part of a long-lasting tradition of hotel owners and a sense of obligation to this legacy, even if this did not align with their individual identity perceptions. Each of the siblings had a different response. The undisputed position of the oldest son as pre-destined successor pressured him to rebel against this position. The oldest daughter quit the firm due to friction between her and her father about their views. The third child, due to her position in the family, felt little pressure to maintain the family-firm connection and chose a different career path. The youngest child was interested in taking over but had a far from secure position to do so because of her position in the family. She chose to obtain a bachelor’s degree in hospitality, possibly to establish her suitability as successor.

For the seventeen years that followed, ownership was shared by the only son and the youngest daughter and her husband. The increasing dispute between the couples on how to move the business forward caused a huge dilemma for the daughter and her husband. On the one hand, their exit from the firm would maintain the identity connection between the firm and the family, but it would not be beneficial for the firm; on the other hand, an exit by her brother and his wife was resented out of obligation toward the family and the memory of their father and for fear of being judged by the community. Since no satisfactory solution to the conflict existed, it took years of struggle before the couples agreed that the brother and his wife would exit the firm.

The brother’s exit, and thus full ownership of the youngest daughter and her husband, caused huge disharmony in the family and it presented a break with the past century within the local community. To re-establish their credibility as capable business owners, the couple turned to the past as a source of identity. They started to emphasize the shared history of the hotel and the family in their communication, symbols and firm behavior. With this strategic focus on a heritage identity the firm expressed the authenticity stemming from the long
Overview and summary of the papers

(shared) history with the family, but with a reduced dependence on the identity of the currently owning family.

The results indicate that the family firm identity can affect the identity of the current and the next generation of owners and that this is not necessarily beneficial for the family. In this case, the firm identity affected succession processes, career choices, cooperation within the family, family identification processes and ultimately family harmony. This can be explained by a heightened awareness of family membership due to the connection with the firm, a sense of obligation stemming from this membership, and the incongruences arising from changes that needed to be solved. Thus, this study contributes to understanding identity dynamics and identity formation in family firms.

5.3  Paper 3 - Revealing the family firm identity? Not everything is about the family or the firm

The aim of this study was to gain more understanding of the heterogeneity of family firms concerning their communication strategy to reveal or conceal their family firm nature. This heterogeneity is puzzling because previous research suggests that family firms can capitalize on the collective positive perceptions and benefit from the unique identity of the owning family by expressing their family firm nature. In addition, this can benefit the family, for instance, through the heightened socioemotional wealth that the family derives from their ownership of the firm. Considering these benefits, it is important to understand what motivates owners’ decisions (not) to highlight this connection.

To answer this question, a longitudinal case study of 12 SMEs was conducted, in which owners were followed in their decision processes about the communication of their family firm identity. The data were collected during interview sessions, plenary sessions with all firms, and in-company workshops.

The motives that were found in relation to the communication of the family firm identity can be distinguished as identity-related and reputation-related motives. With regard to identity: On the one hand, a strong sense of the family firm identity and pride in their ownership motivates owners to express this. Highlighting the family firm nature serves to confirm and enhance a sense of identification with the family (firm) for both family members and nonfamily employees. On the other hand, respondents feel that actively expressing the family nature of the firm may create (more) pressure to communicate or behave in a certain way. Another important obstacle is the perception that highlighting family ownership would also mean downplaying the role of nonfamily employees in the success of the firm, which might negatively affect the team spirit. For some owners the self-evident nature of their family ownership makes them hesitant about or even oblivious to the added value of highlighting this nature.

With regard to reputation: Respondents who are convinced that family firms have a good reputation in general, are strongly motivated to emphasize their family firm identity. Most respondents also believe that their own specific family
firm identity is appealing to their guests. Nonetheless, various owners are hesitant about the added value of highlighting this family firm identity for reputation purposes. Some owners also take possible negative perceptions about family firms into account, such as a lack of professionalism. A frequently mentioned impediment is the concern that the firm reputation may become dependent on (the presence of) the family or family members. Specifically, the younger generation among the respondents object to the pressure of their “compulsory” presence in the firm because this would limit their freedom to fulfil their role according to their own values and norms. Finally, several respondents mentioned a practical hindrance: They do not feel the capability to operationalize their family firm nature in communication.

Specifically the impediments that were found in this study provide additional insights into owners’ communication decisions. Striking is that both uncertainty about the family business nature as its perceived obviousness can obstruct the owners in presenting their firm as a family business. An important impediment that was not found in earlier studies concerns the nonfamily employees. While the desired alignment of the employees with the identity of the firm motivates some owners to more actively communicate the family firm nature, others seem concerned that the inherently communicated distinction between family and nonfamily firm members might endanger the social relationships on the team and the firm’s reputation. This impediment for communication can be explained by the subsequent loss of SEW.

The study contributes to our understanding of (the heterogeneity of) family firm identity expressions. For (SME) family firm owners/managers and consultants, the study suggests that the staff should be actively involved in the strategy to highlight the family firm nature.

5.4 Paper 4 - Identity change in family firms to cope with an exogenous shock: The role of cognitive dissonance

The aim of this paper is to advance our understanding of identity processes in family firms and in the owning family during and after an exogenous shock. Since March 11, 2020, governments across the world have taken measures to prevent the spread of the COVID-19 virus. Earlier research on the effect of the pandemic has primarily focused on operational crisis management. Drawing from identity and psychology literature, this study explores why and how exogenous shocks are incentives for identity changes in family firms.

The identity of family firms is unique as it is developed via identity processes in which the identities of the owning family and of the business are coalesced. This means that a change in the family identity is likely to affect the identity of the firm and vice versa. Identity is defined as a self-concept, that is, the answer to the question “Who am I?” or “Who are we?” as a group or organization.
Discrepancies between the actor’s perception of her/his own identity and what the environment expects can induce identity change. This process can be explained by the cognitive dissonance theory, which states that when individuals hold two or more colliding cognitions, such as attitudes, beliefs, or knowledge of behavior, this induces psychological discomfort. To reduce this discomfort, individuals will change one or more cognitions, which can include cognitions about identity.

To explore how an exogenous shock affects identity processes in family firms, a multiple case study of nine Dutch family SMEs in the hospitality sector was conducted. In this sector, the governmental measures during the pandemic, such as lockdowns and social distancing regulations, severely disturbed the core business operations. Data were collected with open, semi-structured, and structured interviews before, during, and after the pandemic.

The findings showed many instances of psychological discomfort during the pandemic, which motivated respondents to change their cognitions about identity. These were cognitions related to the identity as firm owner, including the social identity as an owner of a hospitality (family) firm as well as the cognitions related to the group identity as the family owners and to the firm. On an individual level, for instance, most owners experienced a higher appreciation of time spent at home and their role as a family man/woman, at the cost of time spent in the company and their role as a boss and a host. An additional and reenforcing cognition concerned an increased confidence in the expertise of employees. Several owners actively reduced their financial dependence on the firm by looking for other sources of income to restore their lost autonomy, which changed their view on their connection to the firm. Young owners experienced the development of their identity as capable family business leaders. Firms initially changed to facilitate the execution of regulations, but maintained these after the restrictions had been lifted, trading values such as personal contact for efficiency.

Overall, we found three types of dissonance-reducing mechanisms in response to the exogenous shock that qualify as a change in identity:

• (Partial) withdrawal from the firm to reduce the emotional and/or financial dependence on the firm. This means that clearer boundaries were drawn between the firm and the owning family.

• Changing the individual/family identity, which included the addition of new meanings of the sense of self and sometimes the omission of meanings.

• Changing the firm identity to be more efficiency driven and less customer driven.

The study contributes to the family business literature on identity and identity processes by showing that identity change can be triggered by behavior and actions in response to a radical and undirected change in the environment and is based on psychological processes that are applied when coping with this exogenous shock.
6 Identity connection management in business families

As stated in the introduction, the common denominator of the included papers is that they all explore and discuss aspects that are related to shaping, maintaining, and changing the identity connection between family and firm, whether this is manifested in the sense of self of internal stakeholders or aimed at the perception of this connection held by external stakeholders.

Thus, beyond the contributions of the individual papers, these papers when taken together advance our understanding of identity processes that are related to this connection. To this end, I presented the following three overarching research questions in chapter 1.

1. How do business families shape, maintain, and change the connection between family identity and firm identity?
2. What motivates family firm owners in the management of this connection?
3. Which psychological processes explain how this connection is managed?

In this concluding chapter, I will attempt to answer these questions by integrating the findings from the four appended papers. As the title of this chapter shows, I introduce the concept of “identity connection management” (ICM) to meet this goal. With this concept, I refer to the practices in family firms, owning families, and individual family members to keep the firm identity and family identity connected to a degree that reconciles the needs and interests of these three parties. As emphasized earlier, although I use the term “management,” I do not mean to suggest that these practices are necessarily deliberately aimed at the maintenance of this connection. From earlier research, we know that family firm owners are not always conscious about how family and firm identity are connected or about what they do to manage this connection (Blombäck & Ramírez-Pasillas, 2012; Knapp et al., 2013).

6.1 How do business families shape, maintain and change the connection between family identity and firm identity?

The answer to this question is based on an integration of findings in papers 2, 3, and 4. Owning families manage the family-firm connection through behavior and expressive practices, such as communication and the use of symbols. Since management practices are carried out by human actors, in this section I will
distinguish between the three identity connections that can be managed by these actors and that are relevant in family firms; see Figure 4.

Figure 4 Identity connections in family firms

1. The identity connection between family and firm
2. The identity connection between individual and firm
3. The identity connection between family and individual family member

6.1.1 Managing the identity connection between family and firm

In every generation and life stage from youth to adulthood, families manage their connection with the firm through behavioral practices manifested in decisions and actions and/or expressive practices manifested in communication and the use of symbols.

6.1.1.1 Behavioral practices

Behavioral practices that emerge from the empirical data include involving the children in the company, carefully planning the moment of exit, having a presence in the workplace, working with family members, and succession within the family.

In the studies of this dissertation, having the children in the family work in the firm during their youth and adolescence surfaced as an important behavioral
manifestation of identity connection management, both for the current and future connection. In all of the participating firms in this research that had a next generation “at hand,” that generation was actively involved in the firm by doing chores or working in the firm as a side job. Although this may have had a practical reason for the owners, involvement of the next generation in the firm is found to be an important condition for the connection between family and firm in the future (Garcia et al., 2019; Reay, 2019). Jaskiewicz et al. (2015) found that family firm owners strategically employ this involvement to foster entrepreneurial behavior across generations (Jaskiewicz et al., 2015).

In the follow up to this “preparation work” with the next generation, careful planning of succession and exit of the previous generation secures the identity connection of family and firm. Even while exit itself is a form of individual level identity connection management (unless the family decides to sell the firm), how this process is handled in the family and the firm affects the relation of the family with the firm. Choices in the succession process influence how firmly or loosely the firm and family will be connected in the next generation and beyond. This became particularly visible in the single case study in paper 2, but it is also visible in other firms. During the timeframe of the study, several owners formally exited their firms but adapted their exit processes to the changed circumstances during the pandemic.

While the involvement of the children and careful planning of succession and exit is aimed at the continuation of the family-firm connection in the future, the daily presence of the owning family on the work floor is an important practice to tie the family to the firm in the present. Multiple respondents in this study mentioned how important they regarded the presence of family members on the work floor to express this relation to both internal and external stakeholders.

Related to presence on the work floor is cooperation with family members as co-owners or employees to keep the family and firm identity connected, even when this cooperation is perceived as unsuccessful and not in the interest of the firm. Paper 2 reports on the continuation of co-ownership and cooperation despite failure to align values and views of the future. In the multiple case study, a family struggling with a “black sheep” in the family finally decided to lay off this family member, but only when the concerns about company reputation became more important than keeping the brother in the family firm. Thus, detaching some family members from the firm can also be seen as a form of connection management.

6.1.1.2 Expressive practices

Communication and the use of family-related symbols are important practices for family firm owners to manage the connection between family and firm to a desired degree of integration (Barroso Martínez et al., 2019; Binz Astrachan et al., 2018; Micelotta & Raynard, 2011).

In this research project, about half of the participants engaged in expressive practices to connect the family to the firm, which were aimed at both external and internal stakeholders. Two firms were eponymous, that is, they had the owning
family’s name as part of the firm name. A family name is usually a stable feature for several generations; thus, eponymy not only symbolizes the connection of the family and the firm in the present but also establishes a relation with the past and the future, thereby expressing stability and continuity. This explains the reason the owners of firm 2 compensated for the loss of its eponymous character by creating a heritage identity (Burghausen & Balmer, 2014; see below for an explanation). Eponymy not only signals the connection of family and firm to outsiders but also fosters family members’ identification with the firm (Deephouse & Jaskiewicz, 2013). Apart from a shared name, other symbols of expressing the connection between family and firm can be a family coat of arms and specific references to the shared history of family and firm, such as a timeline of owning generations. In family firm literature, specifically Brunninge and Blombäck have focused on the potential of references to history to build a strong corporate identity (e.g. Blombäck & Brunninge, 2013, 2016; Brunninge 2017).

In communication, there are various ways and various degrees to which families can connect the firm identity to the family identity (Micelotta & Raynard, 2011; Botero et al., 2013), and they can do this through different channels. In this study, self-controlled channels were the usual choices, both on paper and online. Owners share family information and pictures on firm websites and social media, refer to themselves on the (paper) menu, use their name to close newsletters (“Family X wishes you a great summer!”) and present themselves as the owning family at public gatherings and events. Self-controlled media have the advantage of ease of access and low cost, specifically when these concern digital media, so this choice may be related to the available resources in the firm (Agostini, 2016).

It is worthwhile to mention here the creation of a corporate heritage identity (Balmer, 2013; Blombäck & Brunninge, 2013; Burghausen & Balmer, 2014; Urde et al., 2007) to manage the connection between family and firm. A corporate heritage identity highlights organizational traits that are considered as enduring and that “meaningfully link its past, present and prospective future” (Burghausen & Balmer, 2014, pp. 2311–2312). It can be implemented by a combination of expressive and behavioral practices (Burghausen & Balmer, 2014). This was interestingly demonstrated by the case firm in paper 2. When the meaning of the firm name as an important symbol of connected identities got lost through marriage and succession, the firm identity was reshaped into a corporate heritage identity by increased historical references in communication and family-related symbols, leveraged by products and services that trigger associations with an authentic past.

6.1.2 Managing the identity connection between individual and firm

Individual connection management can also be manifested in expressive and behavioral practices, even when they seem very personal choices.
6.1.2.1 Behavioral practices

Behavioral practices that connect the individual to the family firm include education and career choices and withdrawal. Although most owners in the sample emphasized freedom of choice for the next generation, it is likely that pressure from the previous generation plays a role in these choices (Jaskiewicz et al., 2015). In this research, multiple members of the next generation in the participating firms chose a vocational education within the hospitality sector. Also, non-succeeding family members, often siblings of the current or succeeding generation, chose to stay in the family firm as an employee, thereby strengthening the connection between firm and owning family. Salient, however, as reported in paper 2, is that individuals can distance themselves from the firm by their career choices while nevertheless aiming at keeping the family and the firm together.

Another management practice that emerged from the data is that individual owners seem to regularly renegotiate their connection to the firm by (partial) withdrawal or distancing behavior and choosing different management roles or styles. Examples of withdrawing behavior include reduction of ownership (partial or complete exit), reduction of financial dependence on the firm and less presence on the work floor. The latter is related to the different management roles and styles that can shape the relation with the firm. Respondents often referred to this as “working on the firm instead of in the firm.” This included the decision to be a manager rather than a host, with inherently less contact with guests.

6.1.2.2 Expressive practices

Individual expressive practices are often related to the use of social media. For example, several of the firms in this research have firm accounts on Facebook that contain references to individual family members, predominantly with pictures. Vice versa, individual private accounts refer to the connection of the individual with the firm. Curiously, this is even the case in the accounts of family members who expressed their hesitations about highlighting the family-owned nature of the firm and/or whose firm did not refer to the family on its website. A possible explanation for this is that social media accounts are seen as personal, more informal accounts that reflect what the individual family member wants to express about his/her identity to an often equally informal network of followers. Another explanation may be related to the size of the sampled firms. From research on SME’s we know that the attitude of SME-owners toward marketing related activities is different (Inskip, 2004; Krake, 2005). Owners in this study may simply not consider how their individual expressive practices may influence the way they portray the company.

Symbolically, an expressive practice can be the deliberate use of the family name, specifically in the case of an eponymous firm. Paper 2 reports on the daughter using her maiden name when the connection to the hotel is relevant and avoiding its use when she does not want to be associated with the firm, for instance, during private trips. For the same reason, the successor of the second
eponymous firm in this research strategically uses his family name or avoids doing so.

6.1.3 Managing the identity connection between family and individual

In the context of this study, behavior and expressions that manage the identity connection between individual and family cannot always be disentangled from those that manage the connection between individual and firm. In firm 1, for instance, the eldest daughter was rejected as the prospective successor by the owning generation, and as a consequence, she distanced herself from the family quite radically by emigrating. Almost two decades later, the succeeding brother left the firm, followed by the family splitting up. And while the last paragraph of the previous section provides an example of an individual expressive practice to manage the identity connection with the firm, the use of the family name is also an example of managing the connection with the family. Although the daughter's decision to take on her husband's name after her marriage may seem a very personal choice, it was motivated by her relation to the owning family and their new role as co-owners. By doing so, she symbolically united herself and her husband, not only signaling to insiders and outsiders her membership in her husband’s family but also his new position as owner. However, she also disassociated herself from her own, originally-owning family.

Young participants in this study sometimes explicitly distanced themselves from their parents’ identity by expressing their intentions to run the firm differently and/or by emphasizing their different qualities and different views for the future. This dynamic is addressed in identity literature as individuals’ need to develop their own, individual identity while also being part of a group, that is, the general conception of identity as features that express both similarities to as differences from others (Whetten & Mackey, 2002; Hall, 2003).

Connection management from individual to family can also be found in micro-level choices, such as the choice to use or avoid family-related terminology. For example, to explicitly express one’s identity as a member of the owning family, family members on the work floor could say “I will consult my sister.” Alternatively, they might say “I will consult my colleague” when they would prefer to hide the connection from outsiders or to emphasize that family relations are irrelevant on the work floor. Knapp et al. (2013) referred to this type of language usage as individual boundary management, which is related to the desired level of integration between family and firm. Various respondents in the appended studies referred to family or firm-related language choices as a dilemma. On the one hand, it feels natural to express their membership in the family and confirm the family ties, while on the other hand, they are concerned that it may sound unprofessional.

In summary, identity connection management takes place on and between all identity levels across generations and can include both tightening the connection...
and loosening it. What is striking is that on the individual level, connection management seems to manifest itself as much in practices to loosen bonds with the firm as to tighten them, but individuals appear to do this only when the connection of the family to the firm is sufficiently safeguarded. This will be elaborated upon in the next sections.

6.2 What motivates family firm owners in the management of this connection?

In this section, I discuss the motives for ICM based on the findings from the four appended papers. Although I realize that all motives are related to human actors, I structured the findings according to the meaning of “interest”: motives that are (primarily) related to the interest of the firm, family, or individual will be discussed in sections concerning firm level motives, family level motives, and individual level motives, respectively.

6.2.1 Motives on the firm level

On the firm level, the anticipated positive effect on firm reputation is an important motive for owners to keep the family and firm identity connected or even to solidify this connection. While both the individual and collective reputation (Negro et al., 2014) of family firms are relevant (see Chapters 2 and 3), the empirical findings in paper 3 suggest that owners’ expectations about the effect of the collective reputation of family firms strongly motivate communication. Highlighting the family-owned nature is seen as a practice that can activate positive perceptions by stakeholders, for instance, about trustworthiness and expertise of family firms, which, in turn, is expected to benefit their individual firm reputation. This assumption is supported by the majority of the literature within both the family firm field and the corporate communications field (e.g., Binz et al., 2013; Blombäck & Botero, 2013; Cornelissen, 2017; Deephouse & Jaskiewicz, 2013; Krappe et al., 2011; Negro et al., 2014).

Reputation considerations also motivate connection management by behavior. For example, when the two owning couples’ views for the future diverted (paper 2), the solution for one couple to stay while the other couple would leave was long resented for reputational concerns (amongst other things). The presence of family members on the work floor is also motivated by reputation concerns. Family firm owners believe that their guests would expect this, and they might not think positively about the absence of the owners, which could eventually harm firm reputation through negative reviews shared on social media.

Notably, studies 1, 2, and 3 also demonstrate that, for various reasons, firm reputation can motivate owners to refrain from explicitly connecting the family to the firm. Some owners expressed the concern that an explicit connection raises expectations that they are not able or willing to meet, for example, about their presence and familial culture, which could turn a positive evaluation into a
negative. This potential downside of a good reputation is found in earlier literature (e.g., Riquelme et al., 2019). Other owners expressed skepticism about the reputational value of family ownership for the firm or even the belief that communicating the family-firm nature might be bad for firm reputation, for instance, because this might raise doubt about the professional standards of the firm. For this reason, choices in language usage as described in the previous section were also experienced as a dilemma. Respondents were concerned that revealing the family relationship would make the firm seem less professional to customers. Furthermore, black sheep in the family could endanger firm reputation. This concern of family firm owners was also found in earlier literature (Binz Astrachan & Botero, 2017) and is not imaginary, as Brunninge (2017) and Kidwell et al. (2013) demonstrated.

As paper 3 shows, the position of employees is another reason not to highlight or even to downplay the connection between family and firm. This is related to reputation as a firm-level interest but also to SEW considerations, as I will explain in the next section (6.2.2). Family firm owners wonder what message deliberately tightening the family–firm connection might send to outsiders (both guests and potential applicants) and insiders about the role of and appreciation for nonfamily employees. This can have a direct effect on reputation through perceptions about nepotism or other work-floor related dynamics as well as indirectly when employees display dissatisfaction when in direct contact with customers or peers (Barnett & Kellermanns, 2006; Gotsi & Wilson, 2001; Olmedo-Cifuentes et al., 2014). This employee-related impediment was not found in earlier literature and may be related to size. Especially in small and micro firms where family and nonfamily coworkers can be present in more-or-less equal numbers, it is not difficult to imagine that owners might be hesitant about highlighting the family’s ownership of the firm.

Finally, the independent firm reputation (i.e., not connected to the owning family) can be a reason not to connect the firm to the owning family. An owner’s awareness that the current firm name has reputational value (Muzellec, 2006; Urde et al., 2007) motivates maintaining this name and developing a corporate brand independent from the current and future owning family.

6.2.2 Motives on the family level

In a general sense, the families in this research regard their ownership of the firm as self-evident, a reality, or a state of affairs. In normal circumstances, this connection is not the subject of explicit or even conscious ICM deliberations. This does not mean that their ownership is not important. Striving for continuation of family ownership motivates long-term behavioral ICM practices as described in section 6.1.1: the involvement of the children and careful planning of succession. Since involvement in the firm leverages children’s sense of membership in the owning family and their identification with the firm and familiarizes them with firm routines (Jaskiewicz et al., 2015; Reay, 2019), this increases the chance of continuity of the family-firm relation.
Family-level motives beyond securing ownership in the next generation concern predominantly expressive ICM practices and can be distinguished in emotional and rational motives, the entwinement of which was suggested in earlier research. For instance, Zellweger et al. (2012) found that a sense of pride, good relationships with the community, and long-term orientation positively relate to family firms’ inclination to express family-ownership. Based on interview with family firm owners, Binz Astrachan and Botero (2017) concluded that in particular the 3rd generation and older family firm owners displayed a strong emotional connection to the firm. In this research the sense of pride in the firm and of their family ownership and the appreciation or admiration for the accomplishments of the previous generations fueled the desire to reveal the relationship between family and firm to outsiders.

Consistent with identity literature that states that identity claims facilitate organizational members’ shared understanding (Schinoff et al., 2016; Whetten, 2006), another motive on the family level is more rational and concerns the anticipated and intentional outcomes of expressive ICM-practices for the family: Owners expect that explicitly connecting the firm and the family in communication will strengthen the identification of individual family members with the firm and motivate compliance with family values and norms of both (future) owners and employees (Tajfel & Turner, 1986). This would not only increase the chance of succession within the family (Spitsley & Prügl, 2019) but a strong identification also decreases the chance of undesirable behavior, which is in the interest of both the family and the firm. Earlier research on identification of family members supports this relation (Bernhard & Labaki, 2020; Dawson et al., 2015).

Continued firm ownership within the family and identification of family members with the firm are important dimensions of the construct of socioemotional wealth (SEW), which explains the potential benefits of firm ownership for the family (Berrone et al., 2012; Gómez-Mejía et al., 2011). As such, it also connects firm level motives of ICM, as elaborated in the previous section, to the family level: Since a positive firm reputation reflects on the owning family, this enhances their status in the community (Deephouse & Jaskiewicz, 2013). However, SEW dimensions can also motivate families not to emphasize the family-firm relation, as is explained in paper 3. Team harmony is not only important for the reputation of the firm (see the previous section) but also for the SEW of the family. Owners are concerned that explicitly highlighting the role of the family negatively affects team harmony. Paper 4 also reveals traces of this possibly negative effect of SEW on ICM. Due to uncertainty about continued family ownership and perceived community suspicion about the role of hospitality firms in the spread of the COVID-19 virus (thus, a declining sense of SEW), it was questioned if actively communicating family ownership would be a wise decision.
6.2.3 Motives on the individual level

As mentioned earlier, a salient finding on the individual level is that individual practices of ICM more often seem to aim for keeping or creating a distance between the individual and the firm or family instead of solidifying the connection by behavior and/or communication. This is motivated by the desire to maintain individual freedom as private persons and professionals. Respondents in this study provided a rational reason for this: As a private person, individual family members value the freedom to behave and communicate as an individual who is not connected to the firm. The awareness that their individual actions might reflect negatively on the firm motivates individuals to create distance from the firm, for instance, by not highlighting their or the family’s connection to the firm. As a professional, the freedom to run the firm according to their own professional standards regarding, for instance, work planning and presence, is important. The notion that this freedom could be negatively affected by expectations about family firms from outsiders and that failing to meet expectations might be bad for the firm reputation motivates owners’ individual reluctance to tightly link the family to the firm. Thus, firm reputation is an important motive for individuals to downplay the connection.

What the findings also show is that some owners are not keen to actively express their ownership for reasons of their individual reputations. While on the family level, positive emotions, such as pride in the firm and the family, motivate highlighting the connection between family and firm, individual owners take into consideration how much tightening the family–firm connection by expressions and behavior would put them in the spotlight and whether this fits their personality. These type of considerations were also found in an earlier study by Beck et al. (2020), but more as a motivation and not as an obstruction for highlighting ownership. Furthermore, owners fear judgement by the local community in the sense that they might be seen as conceited or arrogant when emphasizing their position as owner. These impediments were found in both papers 2 and 3.

The findings reveal that another individual motive may be relevant in ICM, which is related to the abovementioned desired individual freedom as a private person and professional. This motive concerns individuals’ needs to have not only the emotional bonds provided by group membership (Tajfel & Turner, 1986) but also to develop their individual identity, differentiated from the group (Hall, 2003). Membership in the family firm can satisfy both needs since it can leverage individuals’ social identity as family members and firm members, while the firm also serves as a means for individuals to express themselves (Hall, 2003). However, respondents anticipated that the effect of a strong and visible connection is that this would raise expectations about the firm, the family, and the individual and that these expectations are not always congruent with an individual’s sense of identity. In other words, a strong connection between the family and the firm may obstruct the development of individual identity.
Finally, specifically paper 4 reveals another motive. Various individual owners created a distance from the firm during the COVID-19 pandemic by (partially) withdrawing from management and ownership. They motivated this by referring to their skills and state of mind, which they viewed as inadequate to navigate the firm through the pandemic. Therefore they felt a necessity to make room for the next generation.

To conclude, apart from the manifestation of the family–firm connection through ownership, how the connection of family and firm identity is managed beyond ownership appears to be the result of a cross-level “balancing act” of perceived advantages and disadvantages of this connection (see Figure 5 for an overview), which is aimed at serving the interests of family, individuals, and firm under circumstances that can change. In this balancing act, assumptions about outsiders’ perceptions play a large role. The psychological mechanisms that steer this balancing act are elaborated and illustrated in the next section.

![Figure 5: Balancing ICM motives on firm, family and individual levels](image)

### 6.3 Which psychological processes explain how this connection is managed?

Paper 4 builds on the cognitive dissonance theory (CDT; e.g., Cooper, 2012; Festinger, 1962; Harmon-Jones & Mills, 2019; Hinojosa et al., 2017) to explain identity processes on family, firm, and individual levels. According to CDT, the psychological need for congruence is key to the explanation of identity and behavior. Congruence means that an individual’s cognitions (perceptions about
values, beliefs, attitudes, and behavior) are aligned, at least in the mind of the individual. Incongruence between two or more cognitions creates cognitive dissonance, which individuals will try to reduce or resolve by changing one or more cognitions, usually the ones that are least resistant to change (Aronson, 2019; Harmon-Jones, 2000). While this is an individual process, individuals can account for interests of other individuals or groups that are relevant to their own cognitions (see chapter 2 and paper 4 for a more elaborate explanation of this theory.)

6.3.1 Striving for congruence

In family firms, individuals can have many different roles stemming from the different systems in which they play a part (Whetten et al., 2014). These roles are not always compatible, which in CDT terms means that the cognitions that accompany these roles are not aligned.

Based on the empirical findings and drawing on the CDT, it can be concluded that the balancing act of ICM reflects, psychologically, striving for congruence of cognitions of firm, family, and individual identities, which includes cognitions about the past connection of family and firm. As we know from earlier literature, family firms have a long-term focus (Le Breton-Miller & Miller, 2006; Zellweger et al., 2012). Family members identify with the firm, and ownership evokes positive feelings, such as pride of accomplishments and the satisfaction of being able to take care of the family across generations (e.g., Berrone et al., 2012; Deephouse & Jaskiewicz, 2013; Hauck et al., 2016). This inherently incorporates the necessity to safeguard not only the continuation of the firm and family ownership for the future but also a solid connection between family and firm. Thus, the relationship between the family and firm can be regarded as an important cognition of family members. Other cognitions, for example, about developments in the environment, traits, or actions of the firm, the family, and the individual, can be aligned or misaligned with this core cognition and with each other. Since cognitions about, (past) actions and external circumstances are rooted in reality, which makes them difficult to change, while identity as a perceived sense of self is more malleable, striving for congruence can incorporate a change of identity (Aronson, 2019; Garai, 1986; Harmon-Jones, 2000). In the case of a family firm, this strive will include the identities that the individual has cognitions about, that is, identities of the individual, the family, and the firm. This psychological explanation complements literature about identity change from the fields of organizational identity and sociology, which argues that expectations from the environment that are perceived as incongruent with the current identity create stress. Individuals and organizations will resolve this stress by changing their identities (Burke, 1991; Hatch & Schultz, 2002).

In the previous sections, I gave several examples of identity processes at different levels in which individuals renegotiate the connection between family and/or individuals and the firm. Based on the data from this research, I presume that dissonance reduction efforts will prioritize the core cognition about this
connection, that is, the importance of family ownership of the firm, or even be aimed at strengthening this cognition because endangering this important connection between family and firm would create additional discomfort instead of reducing it.

6.3.2 A few illustrative examples

To illustrate this reasoning: In firm 1 (paper 2), an eponymous firm for generations, the relevant cognitions of the oldest son were the long-standing connection of family and firm, reinforced by the shared name, and the resulting expectations from the family and outsiders in the community about his succession. While these were aligning cognitions, they collided with his sense of self: He did not see himself as a hotel owner. His compliance shows that he prioritized the connection between family and firm along with family expectations. The second daughter could choose a different career path without experiencing dissonance because this did not collide with the family’s desire to keep family and firm connected. After all, this was already secured by the predestined position of her brother.

After the succession, when the youngest daughter and her husband shared ownership with her older brother and his wife, their disagreement about the future caused a huge dilemma for the younger couple: Would they leave or stay? This was a dilemma because either decision (cognitions) would collide and, thus, create dissonance with one or more other cognitions about the family legacy and the desired family–firm connection, the continuation of the firm, judgement from the community, family harmony, their own social identity as the firm owner, and commitment to the firm. In their minds, these cognitions battled for priority and were very difficult to reconcile, resulting in an enormous amount of stress. After having temporarily (re)considered their own identity and relationship to the firm, they chose to stay and take over the firm. Illustrative is that they framed this as a “rational decision” taken in the interest of the firm, thereby reducing the importance of colliding cognitions about the family and the family–firm connection. In addition, they kept the name of the hotel, a cognition about honoring their parents and family legacy.

While this is an example in which the connection between the family and the firm is loosened after much deliberation, it also shows the importance of the family–firm connection and how conflicts related to this connection can create so much stress that it causes health problems. Illustrative in this respect is the positive relation between eponymy (which emphasizes the connection between the family and firm identity) and relationship conflicts within the family, that was found by Rousseau et al., (2018).

The data from the present research show that connection management on the individual level seems to manifest itself as much in loosening bonds with the firm as in tightening them (see also section 6.1), provided that the connection of the family to the firm is safeguarded. In terms of CDT, individuals can distance themselves from the firm to a certain extent if this is reconcilable with cognitions
about the relation of the family to the firm. Paper 4 illustrates how the COVID-19 measures caused incongruence between the firm operations, the daily actions of the firm owners, and their sense of identity. Firm owners began to develop a different sense of self as (hospitality) entrepreneurs, which regularly involved the creation of distance between themselves and the firm (see paper 4). However, the connection of the family to the firm by ownership was not endangered.

Hesitation to emphasize the family–firm connection (e.g., paper 3) can also be explained through the lens of CDT. Despite the cognition that both the firm and the family might profit from the reputational capital, highlighting their family ownership collides with cognitions about the impact on personal and professional freedom and team harmony. This means that apart from the incentive to change due to incongruence with expectations from the environment, as we know from earlier literature (Burke, 1991; Gioia, Patvardhan, et al., 2013), CDT mechanisms can also provide the incentive not to change to avoid an even larger conflict between cognitions, as tightening the connection between family and firm might have done. These findings can be related to literature that explains firm behavior in relation to SEW gains or losses (Berrone et al., 2012; Gómez–Mejía et al., 2014). Owners who did not experience this or other dilemmas (i.e., dissonant cognitions) or were able to reduce the dissonance chose to strengthen the family–firm connection. For instance, in firm 5 (see the overall table in Chapter 4 and Appendix 3), the owners were not concerned that team harmony would be disturbed by emphasizing the family–firm connection. They had already expressed this relationship and were known as a multigenerational family firm in the area. Team members were aware of this connection when entering the firm. During the research project, the owners of this firm actively investigated how they could highlight the identity connection even more, specifically with the use of expressive ICM practices, and included both team members and non-owning family members in this investigation. In this way, they created congruence between the firm identity, their family identity, their individual identity, and the anticipated advantages of this connection.

First-generation owners cannot usually count on an awareness of their family ownership by regional stakeholders. Still, the owners of firm 11 did not experience cognitive dissonance in relation to team harmony, as this was a micro-sized company with only family members as employees. By contrast, in other first-generation firms in the sample (firms 7 and 9) in which nonfamily employees were an important part of the team, the owners (and successors) repeatedly referred to the importance of the entire team in the success of the company to explain their hesitation about highlighting family ownership.

6.4 Conclusion and contributions

In this chapter, I reassembled the findings from the included papers along the lines of three questions about identity connection management regarding the practices, motives, and underlying psychological mechanisms. These questions do not focus
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on the legal and administrative measures that owners may take to keep the firm and the family connected, but rather on identity processes regarding the sense of self and the practices that reflect and support these processes. I introduced the term identity connection management (ICM) to refer to the implicit and explicit practices that take place in firms, families, and individual family members, including the negotiations that take place between these levels to reduce the psychological discomfort from incongruent cognitions, with the goal to realize and maintain a desired degree of connection between these identities. As such, it can be seen as a specific type of identity work (Ashforth & Mael, 1989; Brown, 2015).

ICM differs from “identification.” As explained in the previous sections, identification is an important motivator for the management of the identity connection, but this is not necessarily so. Families can identify with the firm without actively tightening the connection other than to maintain ownership, because they have reasons not to do so. And in the other direction, family firm owners can decide to tie the firm identity to the family identity in communication and behavior without the sense of “oneness” that identification represents (Ashforth & Mael, 1989), for instance, for reputation reasons.

It is now time to see if we can aggregate the answers to the questions into a model of ICM. To do this, I will use the metaphor of a play and ask the reader to visualize the six elements (see Figure 6) of ICM that are incorporated in the following ‘story’. 

Every play has a stage. The stage of ICM is an arena, a large, round playground that is observed by multiple audiences from every direction and even experienced, depending on their proximity. Some audiences are seated very far from the stage in the outer circles and will hardly be affected by or affect the ICM play, because it is difficult for them to see what happens, let alone join the play. Other audiences have a seat very close to the playground, which makes it very easy for them to follow ICM. They can be affected by the events in the play, and will be able to affect the play. They may identify with the players, interact with them or even be invited to join.

The play has three lead actors, who are called Firm, Family and Individual. These actors interact with each other on stage. They approach each other, or keep their distance, and movement of one affects the connection to the others, so these others respond. While they are focused on each other, they are very aware of the presence of the audience, especially of those who have a seat near the inner circle.

The actors position themselves in relation to the other through behavior and expressions. Their behaviors may require some interpretation; expressions about how they connect or want to connect are much more explicit. Behavior and expressions can be small and subtle, for instance a wink or a word. These affect the short term development of the connection story but are difficult to observe from a distance. Behavior and expressions can also be large and compelling, with a long-term effect on the actors, the developments and even on the audience.
These practices raise expectations about the continuation of the story beyond the timeframe of the play.

This brings us to another important element in every story, which is the timeline along which ICM unfolds. Without a timeline there is no process and, thus, no story. However, like every story, the ICM play does not necessarily have to be told in a linear way. The actors can look back and discuss how they were connected in the past and make claims about this past connection.

Finally, a story has an ending that shows the outcome of the process. The outcome of ICM can be a changed relation between the actors; they can have a stronger connection, or a weaker, but it can also have stayed the same, depending on the directions that the actors took and the responses of the other actors. Both endings can be happy endings, provided that they meet the needs of the actors. However, the outcome is temporary by definition. The last scene of the play will be the opening scene of the sequel. The story continues.
The metaphor paints a picture of how I have come to understand ICM. Identity processes of firms, families, and individual family members are mutually dependent, and all levels are involved in ICM through behavioral and expressive practices. The differences in subtlety of the actions represent that ICM can take place on micro-level with a limited, short-term effect. Large decisions and actions have a long-term effect and are of a much more strategic nature.

The reluctance to use expressive ICM practices that I observed in some of the participating firms, can be explained by the deliberate and explicit character of identity communication, as opposed to the habitual and more tacit character of work floor behavior that represents their core business. Firm members may perceive the firm to be a family firm, thus, see the family identity as a CED feature of the firm. Similarly, family members can perceive their ownership of the firm as a CED feature of the family. However, this does not necessarily mean that they express this feature as an identity claim to insiders or outsiders. Expressive practices require awareness, attention and skill and are perceived by the owners to expose firm, family and individuals to internal and external stakeholder judgement.

The audiences in the metaphor refer to the different positions of stakeholders, which affect how closely they can observe and experience the firm and how aware the owners are of their interests and potential effect on reputation. Audiences that are close to the arena may be non-owning family members or employees who have the opportunity to interact and affect ICM.

The timeline represents that ICM can be aimed at past, present, and future connections. While the past identity connection is predominantly suggested by expressive ICM practices, the present connection is established by expressive and behavioral practices and the future connection is safeguarded predominantly by behavior. In addition, ICM can be aimed at stability or change.

The different elements are interrelated. For instance, in this research, tightening the connection was predominantly accomplished by expressive practices. Loosening the ties between family and firm was predominantly accomplished by behavioral practices, for example, by limiting personal contacts with guests and decreasing the dependency relationship between family/individual family members and the firm. In line with identity literature that emphasizes individuals’ need to develop an individual identity, loosening ties was found to be an individual-level practice, with the goal to find and maintain their own place in the family and the firm. In addition, the strategic level is not isolated from the dimensions of temporality or the level of identity. Strategic decisions about the identity connection are more often focused on the future and related to the identity levels of firm and family.
6.4.1 Contributions to theory

The assembly of findings from the four papers allowed me to develop some thoughts in this chapter about the identity connection between family and firm. By the integration of the social constructionist, the functionalist and the post-modern view on organizational identity (He & Brown, 2013), applied to the context of family firms, this dissertation contributes to several bodies of literature. Organizational identity literature does not account for the influence of the family identity on the set of meanings that reflect the organizational identity and in family firm literature the integration of the family and the firm identity is often approached as given. Very few articles (e.g., Knapp et al., 2013; Sundaramurthy & Kreiner, 2008) have focused on this connection from the view that it is something that can vary within family firms and needs to be managed to keep these identities connected to a degree that the owning family regards as the best balance. Beyond the contributions from the individual papers, this dissertation advances our understanding of the internal and dynamic processes of family-firm identity creation and maintenance by its specific focus on how and why the identity connection between family and firm is managed.

From earlier literature, we know that the environment can motivate identity change based on the incongruence between perceived expectations from the environment and perceptions about identity (Burke, 1991; Hatch & Schultz, 2002). The findings in this dissertation show that perceptions about both external and internal stakeholder expectations play a very important part in the motives for ICM on all identity levels. Strengthening the connection of the family to the firm is often motivated by the anticipated reputation advantages; in other words, outsiders’ evaluation of firm identity. However, this can have a constraining effect on individual family members because of the—again, perceived—expectations of outsiders about the firm and individual senses of obligation to comply. For this reason, solidifying the connection of family and firm can somewhat paradoxically result in individual level ICM practices of loosening the connection. In addition, owners’ perceptions about employees and the effect on team harmony motivates ICM.

The use of the cognitive dissonance theory (Aronson, 2019; Harmon-Jones & Mills, 2019) contributes to the understanding of the cross-level nature of identity dynamics in family firms (Ashforth et al., 2011; Rousseau et al., 2018). By representing all levels of identity as cognitions held by individuals that must be aligned, it becomes clear that these different levels of identity mutually and inevitably influence each other. Most of the existing research on the identity of family firms has neglected the role of individuals and has not considered the dynamic, cross-level processes of identity formation or how they are related to the connection between family and firm. Drawing on CDT, these identity dynamics can be regarded as a balancing act to avoid or mitigate psychological discomfort. In this balancing act, not only the congruence of cognitions between the relevant levels of identity must be safeguarded but also the congruence of cognitions within these levels. On the firm level this could be the congruence between past,
present, and future identity of the firm (Schultz & Hernes, 2013). On the family level, the desire to emphasize the family–firm connection must be congruent with cognitions about the team. If these are misaligned, the goal of ICM is to create the lowest level of psychological discomfort.

Thus, underlying ICM is a continuous negotiation process to solve the dilemma of conflicting cognitions on various identity levels, with the aim to reconcile the interests of firm, family, and individual family members. This negotiation process becomes particularly relevant when the established connection between family and firm is disturbed, whether through inside or outside causes. This is the case, for instance, when the identity of the family or individual family members changes (e.g., through marriage, divorce, death, or succession), the identity of the firm changes (formula, succession), or the environment changes, which can provide an opportunity or a threat. ICM is then a response to the perceived consequences of this change, and it is aimed at a desired degree of connection that suits a new situation, which does not necessarily have to be the same as it was previously.

This dissertation also presents a contribution to the functionalist perspective on organizational identity (He & Brown, 2013), also labelled as corporate identity, and the related corporate communications literature (Balmer, 2001; Cornelissen, 2017; Van Riel, 2012). This literature has traditionally focused on the expression of the firm identity to influence perceptions of stakeholders. This dissertation not only demonstrates the influence of the owning family on communication decisions but also highlights the family identity and individual members as a source of signals for stakeholders about firm identity. Furthermore, the expression of the family–firm connection through language and, for example, pictures and artifacts, means that this connection is manifested on an explicit level and observable by all stakeholders. But what appears to be an externally-oriented ICM operation has consequences on the individual level because it touches on very personal concerns. Literature from the functionalist perspective largely disregards this effect.

In relation, this dissertation advances earlier family firm literature that suggests that a strong and visible identity connection between family and firm may not always be beneficial to the family or individual family members (Blombäck & Botero, 2013; Brunninge, 2017; Dyer & Whetten, 2006; Kashmiri & Mahajan, 2010). Findings from the three empirical papers provide evidence supporting this suggestion. Furthermore, while these findings overall support the concept of socioemotional wealth, the various dimensions of this concept are not always reconcilable in the minds of the owners. Contrary to the assumptions of the SEW literature (Berrone et al., 2012), owners consider that solidifying the connection between family and firm may actually harm their reputation on all levels. This throws new light on conceptions of socioemotional wealth as a mixed gamble (Gómez–Mejía et al., 2014); in particular, findings from papers 2 and 3 suggest “socioemotional stress” rather than socioemotional wealth due to the connection with the family.
These findings also advance our understanding of the heterogeneity of family firms in the degree to which the identities of family and firm are connected, both internally sensed and externally expressed. The heterogeneity in identity expressions is explained in earlier literature by the level of identification of the family with the firm (Sundaramurthy & Kreiner, 2008), the environment (Beck et al., 2020), and reputational motives, such as the desirability of a strong and visible connection between the firm and the family (Blombäck & Brunninge, 2016). This study shows that owners consider other aspects as well, such as the potential influence on the team, the available resources, the brand identity of the firm as an independent firm, and the possible consequences for individuals. In relation, the inclusion of individuals as a separate level of analysis contributes to the family firm literature.

Additionally, the design of this study increases our understanding of connection management. Due to the longitudinal and interpretive design of the study and the use of various data collection methods and sources, the firms and families could be followed through various changes, including those during the COVID-19 exogenous shock. Therefore, a deeper understanding of the iterative and cross-level nature of these changes and the accompanying, underpinning cognitions could be acquired than with a cross-sectional design.

Small firms are underrepresented in research in general and in family firm research, while they represent the largest group of family firms. Although the sample of small family firms presents a limitation to the applicability of this research (see also Section 6.5), this dissertation adds insights into family firms in this category. For instance, the findings in this study show no indication that small-sized family firms are “naturally” inclined to explicitly connect the family to the firm due to the high degree of overlap between family and firm. On the contrary, many of the possible motives for ICM suggest the opposite.

6.4.2 Contributions to practice

Despite the addition of “management” in the concept of ICM, which suggests deliberate actions based on well-thought-out decisions, it is clear that ICM is not always a conscious process and that choices that are made are not always explicitly aimed to influence the connection between family and firm. The most explicit and deliberate seem to be the choices that are made with regard to the corporate identity of the company and, thus, from the functional perspective on organizational identity (He & Brown, 2013).

For practitioners, this dissertation can raise awareness of the multiple levels of identity that are relevant in identity connection management and the various ways in which this connection can manifest itself. Furthermore, this research informs about the possible advantages and disadvantages of a strong connection for different levels of identity, particularly for (members of) the owning family. Considering the various dilemmas that can accompany a strong connection (e.g., SEW versus crisis, freedom of choice versus compliance to family and firm...
goals), practitioners need to be aware of both sides of this coin to make an informed decision.

This dissertation can also raise awareness of the (often tacit and unconscious) psychological processes that are aimed at congruence and that can fuel identity change in individuals and, subsequently, in family and firm. Specifically, the awareness that these processes are based on assumptions about stakeholder expectations (both internal and external) may encourage family firm owners to actively check assumptions and/or involve these stakeholders in decisions about ICM.

Consultants who guide family firms in, for example, marketing strategies, will better understand and account for the complexity of the deliberations, which include identity processes on all levels of analysis. In this way, they can help owners to reflect and carefully set out the decision processes that influence how family and firm are connected. Among other things, consultants need be aware that identity connection is not a decision on firm level alone, thus, they have to make sure that all stakeholders are involved and distinguish between family, individual and firm. In addition, once such a decision has been made, it is important that everyone involved is committed in terms of behavior and communication to prevent mixed signals that might confuse other stakeholders.

Finally, this dissertation may offer some food for thought about the meaning of “professionalization.” What does this label as an identity claim mean in small family firms? When owners conceive of professionalization as, for instance, the introduction of digital aids to help regulate guest contacts, how would this affect characteristics that they like to associate with the firm and that are typically associated with family firms, such as personal contacts and good relationships with stakeholders?

6.5 Limitations and future research opportunities

Any research design involves decisions about different aspects of the intended study. Since a decision inherently incorporates what is not decided, decisions present both limitations and opportunities for future investigations.

The research in this dissertation is conducted with an interpretive approach. This approach is aimed at insight into a reality that is socially constructed by humans through their interpretations and interactions. While this methodology provides the opportunity to collect rich data and gain a deep understanding of the system of interpretations (De Massis & Kotlar, 2014; Gioia & Pitre, 1990; Morgan & Smircich, 1980), the limitations of this methodology are twofold: The findings are limited to the context in which these interpretations and interactions take place and the findings are themselves interpretations by the researcher of this constructed reality. The latter limitation was reduced by careful triangulation through the use of multiple data sources and several data collection points over time. The longitudinal design provided many opportunities to check preliminary interpretations of the data (see also Chapter 4). The first limitation states that the
findings cannot be generalized beyond the context of the study because this context is relevant for the interpretation of reality and, thus, for how this reality is constructed.

When relevant, firm-specific contexts, such as the constitution of the owning family and the type of firm, were accounted for in the papers. To recapitulate important features of the larger context in one sentence: This study was conducted in small family firms in the hospitality sector in the Netherlands and partly during the COVID-19 pandemic. Relevant characteristics of the sample for this research are that in SME family firms, the owning family is usually more visible and more susceptible to expectations from others, and they have more influence on the firm identity than in large firms (Abimbola & Vallaster, 2007). In addition, the hospitality sector is known for its large overlap of public and private life with high exposure to guests (Lashley, 2015). Evidently, these characteristics motivated the selection of this context because the phenomena that constitute the topics in this research would surface more easily. This concerned, for instance, the perceptions about the staff in relation to the family–firm connection because employees in this sector have much contact with customers. However, the limitations of this specific context invite extensions of this research to other industries and larger family firms.

Apart from the size and the industry, the country’s culture may present a limitation. As stated in the third paper, the Netherlands is known for its (relatively) low power distance. This means that equality is an important value and an emphasis on differences in status between organizational members is not appreciated. This can explain hesitations to highlight the family–firm connection. Thus, other cultural contexts can further develop our understanding of this topic.

Concerning the COVID-19 period, while this presented a unique opportunity to study identity processes in the participating family firms, the lockdowns obviously also presented an obstruction for data collection. More importantly, this period may have influenced the mindset of the owners. Illustrative is that two of the—before the pandemic—remaining eleven firms withdrew from the research project during the pandemic. As mentioned in paper 4, highlighting the family-firm nature may become much less desirable for owners when the future of the firm is at stake or when governmental measures are perceived as “blame” because they suggest hospitality firms contributed to the pandemic.

Finally, the sampling method suggests a limitation. As the third chapter explains, I selected the firm in the multiple-case studies after their response to a call. This was beneficial for their commitment and crucial considering the nature of the study, but it also informed their frame of reference about its focus. Furthermore, this means that they all started from an open or even positive attitude toward the communication of their family-firm nature. Studies that include family firms that do not consider this at all can produce different findings.

Based on the limitations of this study, suggestions for future research include other data collection methods, such as surveys, and other contexts, for example, larger firms, other industries, and other cultural contexts, to investigate to what
extent the findings of this study have a broader validity. Other potential avenues for research are the following.

Follow-up studies can pursue a better understanding of findings that could not be explained within the scope of this study. For instance, the findings in the third paper suggest a relation between generation/age and respondent’s inclination to highlight the connection between family and firm. The reason for this difference is not clear. It may be related to such things as a higher or lower awareness or appreciation of family heritage, differences in identification with the firm, a different relationship with employees, or a different view on the balance of work and private life, all of which may ultimately be traced back to the need of young family members to develop an individual identity (Hall, 2003). Future research can investigate this relation.

Relatedly, the inclusion of family theory would contribute to research on this topic. Insights from these theories can help understand processes within the family and explain how the connection between family and firm is managed. Family theory can also help to understand the heterogeneity of family firms in this management. Earlier research (Cabrera-Suárez et al., 2014; Prügl & Spitzley, 2021) has found a relation between identification and family cohesion, in which values and attitudes are shared among family members, and an open communication climate. In relation to communication climate, how the connection of family and firm and its relation to reputation can be discussed within the family is a topic that needs further investigation. In other words, what is the role of internal communication in ICM and how can this contribute to a family–firm connection that benefits both firm and family?

Attention to the family system is also important in light of sociodemographic shifts. These are not the same in every country in every part of the world, but in the Netherlands, there is a tendency to marry later and separate more often, have fewer children (and at a later age), and children live at home longer. These developments can have consequences for the way in which families connect to the firm because children are involved in the company longer via side jobs or kitchen table discussions. On the other hand, because potential successors are younger when their parents have reached retirement age, it is also possible that more temporary nonfamily managers are hired to bridge the period between retirement and succession of the next generation. How this affects ICM can be a question for future research.

Regarding the role of communication in the construction of corporate identity, we do not yet know which messages are most effective and why. For a better understanding, it is important to move beyond the interpretation of family firm identity as the “family-owned status” and investigate how the character of the owning family can manifest itself in the corporate identity of the family firm, and how this affects the family. In particular, the negative effect on the family and individual family members needs to be further investigated. Also, the channels through which the connection to the family is conveyed are not yet well studied. Earlier studies have focused on websites and formal forms of communication.
Informal interactions with stakeholders are still unexamined (Binz Astrachan et al., 2019).

Finally, how family firm reputations are constructed in the public domain would be another interesting research question. As explained in Chapter 3, stakeholders cocreate reputation based not only on their own observations and experiences but also through receiving signals from the public domain. It is relevant to understand how families and firms can be the object of scrutiny in society and how this affects identity and reputation of individual firms and identity connection management by the owning family. This avenue includes the influence of agencies that participate in the public discourse by presenting themselves as independent assessors, such as the Edelman Trust Barometer that publishes rankings. In relation to this, a more systematic inclusion of dimensions of reputation, for example, those illustrated by the reputation model in Chapter 3, would help in gaining a better understanding of how family firms are perceived or what is most relevant to their reputation. For instance, in light of the global discussion on sustainable development, further research can focus on how family firms “load” these dimensions in the perception of external stakeholders.
References


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Appendices

1. Call for participation in a research project
2. Empirical context: Family firms in the Netherlands
3. Short description of the case firms
4. Examples of visuals and language usage
Appendix 1: Call for participation

CALL for participation Project SME family businesses in the hospitality sector

Working title: We are a family business! And (how) do we communicate that?

The project

In Family Businesses, the family and the company are connected, sometimes for generations. For family businesses that also want to present themselves externally as a family business, this can be an advantage. Yet this profiling is not self-evident. Windesheim University of Applied Sciences is starting a project aimed at family businesses in the hospitality industry. This project aims to help entrepreneurs explore the potential benefits of profiling as a family business, as well as the potential downsides. Moreover, we develop practical knowledge for entrepreneurs to deal with this, both within the company / family and in communication to the outside world. We use models in the field of reputation management and marketing communication. First, with the help of the participating companies, we will develop knowledge and insights about how the family interests and the associated dilemmas influence the choices that the company makes and vice versa. Based on this, a tool is being developed with which family businesses are better able to choose a profile that suits them and to develop it practically, for example, with the help of a social media plan.

Research questions

In order to achieve the above goals, we will work in this project with the following questions: Which factors stimulate or hinder the family to profile the company from the family identity? How do the families/companies deal with these factors? What is the potential marketing value of this profiling for the company? If profiling as a family business has been chosen, how is it done and why is it done in this way? How do we get everyone in the company and the family on the same page? What is a communication policy appropriate to profiling (e.g., via social media), and how can this be implemented?

Method

The research project is a collaboration between industry associations, the research and educational institutions Windesheim University of Applied Sciences, Saxion University of Applied Sciences and Nyenrode University and approximately 10-15 family businesses. To be able to answer the above questions, the participating companies will be followed for a year and a half. During this period, various project activities will be organized, both at the location of the companies and at Windesheim University of Applied Sciences. These range from interviews and
Appendices

group discussions to an analysis of the communication and the means of communication used.

Participation

We expect the participating companies to actively participate in these activities on average once every six weeks and that, in addition to the owner(s), other (immediate) family members are willing to cooperate. The dates of the activities are determined as much as possible in consultation. There are no further costs associated with participation. After registration, an intake interview will shortly follow in which the situation, expectations, and wishes of the prospective participant will be inventoried. The project will then start in September 2018 with a kick off.

For whom?

The project is particularly attractive for companies that recognize themselves in one or more of the following descriptions:
1. We already profile ourselves as a family business but would like to do more with it / get more out of it.
2. We do not present ourselves as a family business at the moment, and we wonder whether it would be beneficial for us to do so.
3. We notice that there are different views in the family and in the company about the desirability of profiling as a family business.
4. We notice that there is no consistency in the company's communication.
5. We are in a transition phase in which the family and/or corporate identity may also change, for example, a new generation of owners, a marriage, a merger.

Have you become interested in participating or do you know a family business that might be interested? Or do you have any questions? Please contact:

Albertha J. Wielsma
Researcher Dutch Centre of Expertise for Family Businesses
Windesheim University of Applied Sciences
Zwolle
a.wielsma@windesheim.nl
088-4699022

Registration for participation is possible until 9 February 2018.
Appendix 2: Empirical context: Family firms in the Netherlands

The data for the empirical papers were collected in family firms in the hospitality sector in the Netherlands (see Chapter 4 for the explanation of this sample). To provide the reader with some background knowledge of this empirical context, this appendix contains a short overview of family firms in the Netherlands, their spread across the region, their size and industry, and their contribution to the economy.

In 2020, there were 475,210 firms registered in the Netherlands.\(^1\) The majority of those firms belonged to the category of family firms, namely 281,470 (59%). However, they are not evenly spread across size category, region, and industry. As is the case worldwide, the highest percentage of family firms is found in the group of micro to small firms, whereas only 21% of the large firms are family firms. Table 3 shows the percentage of family firms across sizes.

Table 3: Percentage of family firms in the Netherlands, 2020 (CBS, 2021)

<table>
<thead>
<tr>
<th>Firms in the Netherlands / size</th>
<th>Family firms %</th>
</tr>
</thead>
<tbody>
<tr>
<td>General (all companies)</td>
<td>59%</td>
</tr>
<tr>
<td>Large (250+ employees)</td>
<td>21%</td>
</tr>
<tr>
<td>Medium (50–250 employees)</td>
<td>38%</td>
</tr>
<tr>
<td>Small (10–50 employees)</td>
<td>60%</td>
</tr>
<tr>
<td>Micro (2–10 employees)</td>
<td>72%</td>
</tr>
</tbody>
</table>

When we look at how family firms are spread geographically (Figure 7), we see that most family firms are situated in the east, south-east and the tips of the country in the north and south-west. This is related to the percentages in Table 3. The darker blue areas are typically the rural areas of the Netherlands where there are more small firms with a larger percentage of family firms, whereas the light areas are urban areas where large companies are situated. In the large company category only a small minority of the firms are family firms.

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1 The Netherlands has over 1.3 million “one-person” companies, firms that are owned by one owner who is also the only employee. In the overview in this section, these firms are excluded, meaning that only firms with more than one employee were considered.
Although family firms can be found in all types of industries, there are large differences per sector. Table 4 shows that family firms are well represented in what may be called the “traditional” industries: the sector Agriculture & Fishing primarily consists of family firms (90%), followed by the Hospitality sector, Construction, and Transport, while family firms represent the minority in service-related industries such as Financial Services and Information & Communication.

Table 4: Percentage of family firms per industry in the Netherlands, 2020 (CBS, 2021)

<table>
<thead>
<tr>
<th>Firms in the Netherlands / sector</th>
<th>Family firms %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Top:</strong></td>
<td></td>
</tr>
<tr>
<td>Agriculture and fishing</td>
<td>90%</td>
</tr>
<tr>
<td>Hospitality</td>
<td>70%</td>
</tr>
<tr>
<td>Construction</td>
<td>69%</td>
</tr>
<tr>
<td>Transport</td>
<td>66%</td>
</tr>
<tr>
<td><strong>Bottom:</strong></td>
<td></td>
</tr>
<tr>
<td>Financial services</td>
<td>37%</td>
</tr>
<tr>
<td>Information &amp; communication</td>
<td>33%</td>
</tr>
</tbody>
</table>

As can be gathered from the tables, family firms are important to the Dutch economy. In 2019, the added value of family firms in the Netherlands was 111.7 billion euros. This was 27% of the total added value of the business economy in
the Netherlands in that year. The added value of family businesses in the hospitality sector was 6.4 billion euros, which was 51% of the total added value of the hospitality sector (2019). Furthermore, family firms are responsible for 30% of the total employment in the Netherlands. In the hospitality sector, family firms account for 61% of the employment in that sector, which amounts to 262,700 jobs (see Table 5).

Table 5: Economic value of family firms in the Netherlands in 2019 (CBS, 2021)

<table>
<thead>
<tr>
<th>Economic value</th>
<th>% of added value</th>
<th>% of employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family firms (general)</td>
<td>27%</td>
<td>30%</td>
</tr>
<tr>
<td>Family firms in hospitality</td>
<td>51%</td>
<td>61%</td>
</tr>
</tbody>
</table>

The reader may have noticed that the data about numbers and spread of family firms across size, region, and industry (Tables 3 and 4) stem from 2020, while the data about economic value (Table 5) stem from 2019. The reason for this is the lack of representative data from 2020 due to the COVID-19 pandemic. From the beginning of 2020, the pandemic constituted an important empirical background for this dissertation. This is further elaborated upon in Chapter 4 and paper 4.
Appendix 3: Short description of the case firms

During the course of the empirical part of this research, 13 family firms were involved; see Table 6 for an overview. Firm 1 is described in the single case study in paper 2. To be complete and provide the reader with some background information about the firms, their ownership and their communication habits, this appendix provides a short description of firms 2–13 in the order of the table (also presented as Table 2 in Chapter 4, Methodology). As explained in Chapter 4, paper 3 is based on data from these 12 firms, while paper 4 is based on a smaller sample of nine firms. For this reason, they are referred to with different numbers in the papers; see Table 6 for a cross reference, and Table 7 for the overall table.

Table 6: Quick search: Firm numbers in papers 3 and 4 vs overall table

<table>
<thead>
<tr>
<th>Firms in paper 3</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firms in paper 4</td>
<td>1</td>
<td>X</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>X</td>
<td>7</td>
<td>X</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Firms in Table 1/7</td>
<td>5</td>
<td>2</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>10</td>
<td>3</td>
<td>11</td>
<td>4</td>
<td>12</td>
<td>13</td>
</tr>
</tbody>
</table>
Table 7: Overview of the sample

<table>
<thead>
<tr>
<th>Firm</th>
<th>Ownership</th>
<th>Size</th>
<th>Respondents</th>
<th>Paper</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hotel &amp; restaurant &amp; party center</td>
<td>4th generation, wife &amp; husband (daughters work in the firm as a side job)</td>
<td>Small</td>
<td>The owners, the daughters, several employees</td>
</tr>
<tr>
<td>2</td>
<td>Restaurant &amp; event center</td>
<td>3rd generation, brother and sister (several family members are employees)</td>
<td>Small</td>
<td>The owners</td>
</tr>
<tr>
<td>3</td>
<td>Hotel &amp; restaurant</td>
<td>2nd generation, brother and sister</td>
<td>Small</td>
<td>The brother</td>
</tr>
<tr>
<td>4</td>
<td>Wellness center</td>
<td>3rd generation, wife and husband, daughters are employed</td>
<td>Small</td>
<td>The husband and one daughter</td>
</tr>
<tr>
<td>5</td>
<td>Party center &amp; restaurant</td>
<td>4th and 5th generations, father and son (mother and younger brother are employees)</td>
<td>Small</td>
<td>The owners and the employed son/brother, one nonfamily employee</td>
</tr>
<tr>
<td>6</td>
<td>Restaurant &amp; party center</td>
<td>4th generation, brother and sister</td>
<td>Small</td>
<td>The owners</td>
</tr>
<tr>
<td>7</td>
<td>Restaurant</td>
<td>1st and 2nd generation, parents and son + wife</td>
<td>Micro</td>
<td>Father and son</td>
</tr>
<tr>
<td>8</td>
<td>Hotel &amp; restaurant</td>
<td>2nd and 3rd generations, mother and son</td>
<td>Small</td>
<td>The owners</td>
</tr>
<tr>
<td>9</td>
<td>Hotel &amp; restaurant</td>
<td>1st generation, two brothers (second generation sons/cousins are employees, preparing for succession)</td>
<td>Small</td>
<td>One owner and his two sons as successors, one employee</td>
</tr>
<tr>
<td>10</td>
<td>Hotel &amp; restaurant</td>
<td>4th and 5th generations, husband, wife, and son</td>
<td>Small</td>
<td>The owners</td>
</tr>
<tr>
<td>11</td>
<td>Cafeteria</td>
<td>1st generation, One owner, wife, daughter, and son are employed</td>
<td>Micro</td>
<td>The owner, wife, daughter, and employee</td>
</tr>
<tr>
<td>12</td>
<td>Campsite</td>
<td>2nd and 3rd generations, mother and six children (not all siblings work in the company)</td>
<td>Small</td>
<td>A brother and sister</td>
</tr>
<tr>
<td>13</td>
<td>Campsite</td>
<td>3rd generation, 1 owner</td>
<td>Small</td>
<td>The owner and the manager</td>
</tr>
</tbody>
</table>

Firm 1
See paper 2.
Firm 2
Firm 2 is a restaurant located between the forest and the farmlands in the eastern part of the Netherlands. In the restaurant, you can have lunch, dinner, and drinks. The restaurant organizes its own events related to the different seasons. This can include asparagus parties and game nights. In addition to the restaurant, the family is also in possession of a restaurant/event center on the same premises where birthdays, weddings, and funerals can be held.

The current owners of the company are brother and sister, third generation. The origin of the company lies in the forties of the previous century, when the grandparents (first generation) of the current owners started a horse riding school on their farm. This riding school ensured that there was a need for catering. The second generation then started a restaurant. Two brothers from this generation bought out the other brothers and sisters, after which one brother focused on the riding school and the other (father of the current owners) on the catering part. The current generation, brother and sister, have been the official owners since 2018. The riding school belongs to their uncle and a niece.

Both restaurants legally form one company, with brother and sister each owning 50%. Several family members are employees. A brother and an uncle work in the kitchen, while an aunt serves as a host, and the father still does general chores. Core values, as mentioned in interviews and workshops, are care, personal, reliable, and modern nostalgia.

Communication
Despite the fact that the restaurants are owned by the same family and are legally one company, each company has its own social media channels and website. However, the methods of both visual and textual communication are the same. For example, on the websites, mainly atmospheric and informative photos are shared. There are no family photos on the website. The texts are generally informative but do not mention the family-owned character of the firm. On Facebook, Twitter, and Instagram, similar content is shared, also without indication of the family nature of the firm. A photo of the staff occasionally passes by without reference or names.

Some of the core values are clearly communicated. The overall neat and clean appearance of the website and social media channels indicate attention to details and care. The value of “personal” is evident from the manner of writing on the website. The visitor is personally addressed with phrases such as: “Are you looking for a good restaurant?” The content clarifies how the company can and will meet everyone’s individual needs. In contrast, the core value of “nostalgia” is not clearly reflected. Little to nothing about the history is shared and everything seems to be focused on the radiation of a professional, sleek, and contemporary company.

Although the owners discuss with each other the intended firm communication, the sister makes the final decisions. This is presumably due to the fact that she has a professional communication background. There are no formally planned discussion sessions about their communications policy. These discussions usually take place between chores or during private time. There are
no data about communication with stakeholders during the pandemic since the owners terminated their participation in this period.

Firm 3
(General note: Since this firm withdrew from the project shortly after its start, only publicly available data and those that were collected at the beginning of the project could be included in this description.)

Firm 3 is a hotel, restaurant and café located in the center of a village in the northern part of the Netherlands. It also offers several wellness options, such as a sauna, a swimming pool, and massages, and has space for (business) meetings. The owners are a brother and sister of the second generation and their parents (first generation), each with 25%. Although the parents have officially withdrawn from the management, they still work in the company. Before the pandemic, the firm employed eight staff members, some fulltime and some parttime. As core values, coziness and modernity (as opposed to snug) are expressed.

Communication
The website contained many photos of the firm, both of the exterior and interior. Under the heading “about us,” it was mentioned that the hotel is a family firm, but otherwise, there were no references to this status on the website. On the paper menu on the tables, a physical means of communication was a caricature drawing of the four family members. This can be seen as a form of family-firm profiling. At the time of the first contact, the firm used Facebook, Instagram, and Twitter and later added YouTube and LinkedIn, although very little interaction was noticed on those sites. On the other social media sites, the firm appeared quite active and their local involvement was specifically displayed. They occasionally shared a photo of the employees, but names and the role of the family were not mentioned. During the duration of the research project, the shared content on social media remained fairly the same. Remarkably, the heading “about us” has disappeared from the website. The core value of “modernity” is expressed by the many professional photos on the website and social media. No references to family ownership are made.

Decisions regarding communication are taken in consultation among the four owners. There are weekly meetings. This meeting can be about anything, but it is also about communication. Anyone can contribute ideas related to communication; these ideas are then discussed during the meeting. Decisions are made democratically.

Firm 4
This is a sauna and wellness center located in the north of the Netherlands. The firm offers all services associated with wellness, such as sauna, pedicure, beauty treatments, massages, and a restaurant. The company was started in in the last decade of the previous century by the parents (in-law) and uncle of the current owners. About 15 years ago, the current owners took over the company after which the first generation of owners gradually limited their involvement and then exited completely about 3 years after the takeover. The owners are a married couple and
share ownership, each with 50%. The uncle occasionally does some technical jobs for the company and is also on the payroll. Two daughters also work in the company part-time. Before the pandemic, a total of 30 employees worked at the firm. As core values, the website only mentions “quality”. In addition, during data collection sessions the values “reliability,” “intimacy,” “authenticity,” and “trust” were mentioned.

Communication
The firm name suggests family ownership, since it is recognizable as a family name. However, this name refers to the first generation, it is not the surname of the current owners. At the start of the research project, the website contained many photos and descriptions of the products and services. Apart from one photo at the bottom of the website and a single mention of the owners, there were no references to the family. Social media channels (Twitter, Facebook, Instagram and LinkedIn) however, displayed photos of the family and contained hashtags with “family business”. Halfway through the study minor changes have been made on the website: The word “family business” was briefly mentioned on the homepage. On social media, many personal photos with captions were shared, however, this happened mostly during the lockdown periods. By the end of the project, the owners occasionally refer to the family-owned nature of the firm, but this was not communicated uniformly and not on all available communication channels. The various photos, atmosphere, and language usage on the website and social media predominantly create an intimate atmosphere.

For wellness centers the government ordered many and often changing measures and restrictions. Because these frequently changing restrictions had to be implemented, the owners communicated quite regularly with the staff, even during total closures. There was little communication with the suppliers. This was not experienced as a problem: Since the ties with the suppliers are strong, the owners expected that as soon as the governmental measures were dropped, the contact with the suppliers would continue as before. The communication with guests was done through posting updates on the website. These updates usually contained information regarding the implementation of the measures. When the measures allowed it, the guests simply continued to come, so they could also communicate on the work floor.

Decisions about communication are made by the owning couple, usually in their private time. They have little to no discussion about this topic. A professional communication agency takes care of the execution, but has no say in the content of the communication.

Firm 5
Firm 5 is an event center, caterer and restaurant located in a small village in the southern part of the Netherlands. The event center offers facilities for weddings, (company) parties, and other types of events. As a caterer, Firm 5 offers the possibility to take care of the complete organization, decoration, and catering of a party or event on location. The company exists since the end of the 19th century, when the great grandparents of the current owner started a place where guests
could rest and have a drink. In the early years, the firm shared the family name, but it was renamed in the early twenties of the previous century. Over the years and generations different types of activities have been added and abandoned. For example, the third generation added a petrol pump, egg transport, car rental, taxi service, and funeral transport to the company. In the late eighties of the previous century the firm was taken over by two brothers from the fourth generation. The company was then split in two. While one brother and his wife took over the event center and catering, the other brother continued the car rental, taxi service, and funeral transport. About five years ago the fifth generation became co-owner of the firm and took the initiative to add the restaurant to the business activities.

The company is currently owned and managed by father and son in the form of a general partnership. The building is owned by the father and let to the partnership. The father’s wife works for the company as a financial supporter, while the younger son/brother (fifth generation) can be called upon for two days a week for marketing related activities. Furthermore, two cousins are employed by the company. In addition to these family employees, the company employs about 35 nonfamily employees.

Apart from the core values of “hospitality” and “service,” important company values are “modesty,” “a personal approach,” “connectedness,” “authenticity,” and “homely conviviality” (source: website and interviews).

Communication
At the start of the research project, the website contained information and historic pictures about the family-firm history. Apart from this, the family-firm nature was expressed mostly through behavior.

During the COVID-19 pandemic, in which the hospitality sector in the Netherlands was completely locked down, the frequency and content of the communication changed. There were less daily contacts with the staff but the firm did send out regular updates to the staff and staff members also regularly inquired about the situation. The communication with the suppliers was completely at a standstill. To stay in touch with the (prospective) guests, they initiated a food shop, sent post cards, and used social media and the website. This was effective during the first months of the lock down but this died out later on. The father started to post personal blogs on the website, about the pandemic, the family history, and previous crises.

No one is officially responsible for decisions about communication or the communication itself, but the owning son is usually the initiator. Input from all sides is stimulated and subsequently discussed by the owners. There is no fixed moment for decisions about communication or the execution of these decisions.

Firm 6
This firm is a restaurant, located at a cultural-historical estate in the eastern part of the Netherlands. The first mention of the estate dates from 14th century. At the end of the 19th century, the great-grandparents of the current owners established themselves as millers on the estate. They also started the restaurant, which exists
to this day. In addition to meals, the firm hosts events such as company parties and weddings.

The company and the buildings in which the company is located are fully owned by a brother and sister of the fourth generation. They took over the company from their parents almost 20 years ago. The land surrounding the company is owned by a foundation. In total, approximately 25 employees work at the firm. Some family members occasionally do some chores but are not on the payroll. The core values as stated on the website are “real local hospitality” and “conviviality.” During interviews “good value for money,” “modesty,” “authenticity,” and “reliability” were also mentioned.

Communication
At the start of the research project, the firm communicated extensively about the various services and facilities it offers, which were illustrated with pictures both on the website and on social media channels. The website also contained a page on which a short history of the firm and the family was described but without photographs of the family or staff. The social media channels contained more informally articulated information but no photos of the family or staff could be found. In the course of the research project, the owners started to share more photos of the history and the family on the website and social media. One of the incentives for this increasing display of ownership and shared history, was the upcoming 125th anniversary of the firm. In honor of this event, the owners published a magazine/newspaper in which the history of the location and the family were presented. Although the core values are not literally mentioned on media such as the website, “authenticity” is expressed through the various photos that are shared of the estate and the buildings, which are unique and distinctive. The many photos and atmospheric images of the restaurant and its surroundings radiate the value of “conviviality.”

During the COVID-19 pandemic, initially there was almost no contact with the staff due to the lockdown. To maintain contact and bind with the staff, the owners scheduled a small but varying group of employees to work on Saturdays. The other communication with the staff members was limited to efforts to keep them informed of any changing governmental measures. Orders from suppliers were obviously down to zero but the owners made efforts to keep in touch. To stay in contact with (prospective) guests during the lockdown, they set up a coffee-to-go stall just outside the main building.

Decisions about communication are made by both owners. There is no formally planned moment for policy discussions; these take place when there is time and the owners usually agree with each other because, as they state, “they both prefer not to complicate things.”

Firm 7
This firm is a lunchroom/restaurant in the center of a small city, located in the northern part of the Netherlands near the German border. The company was started in the year about 25 years ago. Guests can come for lunch and dinner, and organize their (staff) parties, meetings, and receptions there, or they can order
catering service on location. The restaurant is owned by two couples from two generations: a father and mother with 25% and their son and daughter-in-law with 75%. This distribution is based on the number of hours worked by the different couples in the company. In addition, the firm has six employees of whom three have a fulltime job. As core values and characteristics, the owners mentioned “involvement with guests,” “warm and homely family feeling” and “accessibility.” The location in the city center is seen as unique and distinctive.

Communication
At the start of the project there was no reference to the family on website or Facebook. The website contained two photographs, none of which were from the family. The text on the website described the services that the firm offered. On Facebook only photos of dishes and information about events were shared. Halfway through the project, the website seemed to have had an upgrade. The site had a more professional design, navigated more easily, and showed more pictures of good quality. Several core values that the owners mentioned were reflected by its content. For instance, the core value “accessibility” was reflected by the use of words and phrases, such as “meeting place for young and old” and “within walking distance of the station.” Instagram was added as a social media channel, but this did not appear to be used frequently. The posts on Facebook had an informative character and appear on average once per month. None of the channels referred to the family or the identity of the company as a family business. This remained the same throughout the project. (During the pandemic the owners temporarily suspended their participation in the research project, which means that no data collection could take place about communication during the pandemic.)

Decision-making on communication usually takes place casually, that is, not planned in advance. In general, decisions about communication are made by the four owners together. Father and son make the decisions about the daily affairs.

Firm 8
This is a hotel-restaurant located in the northern part of the Netherlands. In addition to restaurant and hotel facilities, the company rents out rooms for parties, meetings and gatherings for five to 200 guests. At the start of the project, the company was owned and managed by a mother and son of the second and third generation respectively. There is also a daughter, but she is not involved in the company. The company has around eighteen employees, five of whom work full-time in the firm. The other staff members are employed flexibly and on weekends. Occasionally, at events, some family members are hired, but there are no family members in permanent employment. The core values and characteristics that are mentioned on the website are “homely atmosphere,” “genuine hospitality,” and “sobriety.” During the interviews, “personal contact,” and “small scaled” were also mentioned.

Communication
At the start of the project, the website and social media channels (Facebook and Twitter) mainly shared photographs that reflect the atmosphere of the company. In addition, extensive attention was paid to the various facilities and services
which the company offers. No attention was paid to the family or the family business itself. An “about us” page or something similar was missing. Halfway through the project, the content of the website had hardly changed. It was mainly used informatively, pictures of the products and services predominated. Apart from a few small textual references, there was no reference to the family (history) or to the company as a family business. By contract, on the firm’s social media channels photos of the staff and the owner were shared. At the end of the project, Instagram was added to the social media channels and a new website was realized. This website now contains a heading “about us” in which the history of the company is described and visually supported. In addition, information about the family is included in a text with the title “Three generations,” supported by a photo in which the current owner and his wife are sharply depicted in the foreground and his parents are visible in the background. This symbolically shows that the baton is being handed over but the previous generation is still involved in the background.

The core values that were named and that can be expressed visually or textually are also expressed. For example, the core value “homely atmosphere” is expressed by warm colors and type of font that is used and shown by photos. The core value “sobriety” becomes evident from words such as “without fuss” that are used on the website.

During the pandemic they tried to keep in touch with their guests by sending news and by showing on social media what they were doing. Customers showed loyalty by sending messages and asking face-to-face how things were going during the pandemic. The communication with the staff was done by sending updates via WhatsApp. The communication with suppliers was continued, although it was mainly about the future possibilities when they would be allowed to open again, and keeping each other informed of the state of affairs. Decisions about marketing and communication are made by both owners but the son’s wife keeps the website up-to-date, although other staff members are involved in communication too.

Firm 9
This hotel-restaurant in the eastern part of the Netherlands was started about 35 years ago by two brothers and their spouses. Parts of the building date back to 1800, at which time it was already in use as an inn. 15 years ago, they also obtained a nearby grand café. The hotel has about 30 rooms and also offers facilities for business meetings. Both firms belong to a group of cooperating hospitality firms in the region, initiated by the owning family with the purpose to join forces in the supply chain, the field of improvement, innovation and the creation of a total hospitable experience. The name of this group partly resembles the family name.

At the start of the research project, the two founding brothers owned the company and took care of the daily management, while one of their wives also worked in the company parttime, although she was not on the payroll. Two members of the second generation worked in the company but were preparing to
take over. By the end of the research project this ownership transfer was accomplished. Core values and characteristics, as mentioned on the website, are “hospitality” and “versatility” (in terms of tourist opportunities). During the interviews, the values “accessibility,” “quality in food and drink,” “good employershio,” and “customer orientation” were also mentioned.

Communication

At the start of the research project, the website of the firm only contained pictures of the various services offered. The only possible reference to the family was a photo of a group of people but without names or clarification of relationships. Only the website of the business group referred to the family. On Facebook content was shared about events, including “behind-the-scenes” photos. Pictures of family members were also shared, but it was not made clear that they were family members. Halfway through the project, the hotel website was more or less the same as earlier but the group website contained more information about the family. Facebook was still the main medium, and while Instagram and LinkedIn had been added, these social media were not frequently used. On Facebook, photographs of the family and the employees were occasionally shared, along with information about the family and history. At the end of the project, the communication regarding the family firm nature was almost the same as halfway through the project. LinkedIn was not or hardly used and the Instagram page seemed to have been removed. The value of “versatility” explicitly stands out on the website, on which extensive attention is paid to the various service packages offered by the firm, such as cycling trips and game packages.

The various measures associated with the pandemic affected the communication with suppliers, staff, and guests. They indicated that they maintained communication with the staff as transparent as possible to ensure their understanding and flexibility. Communication with the suppliers was dependent on the suppliers’ initiatives. One supplier wanted to maintain contact during the pandemic, while another long-term supplier, which ultimately led to a termination of the relationship. Communication with guests was also different. Due to the restrictions, fewer guests came to the hotel and there was less contact. The communication focused on safety. To keep in touch with their regular guests, the firm introduced takeaway meals.

All working family members are involved decisions concerning communication. Everyone can provide input and then they decide jointly. When this is not possible, one of the founding brothers decides. They make an effort to not discuss firm matters at home, in order to keep work and private life separate.

Firm 10

This firm is a hotel and café located in the northern part of the Netherlands. It was founded early in the 20th century by a married couple as a café and butchery. Due to various purchases and investments by the second and third generation, the company changed from café and butchery to small hotel and a café/restaurant. The firm also rents out rooms for business meetings or family dinners and they work as a caterer on location. The fourth generation family member and his wife,
parents of the current owner, took over at the end of the 20th century, after having worked there since the eighties. Their son (the fifth generation) was co-owner for one third at the start of the research project in 2018 but was already preparing for succession. This process was finalized by the end of the project in 2022, although the real estate is still fully owned by his father and rented to the firm. No other family members work in the company. Before the pandemic there were 11 employees, but this was reduced to six during the pandemic.

As core values and characteristics “craftsmanship” and “authenticity” are mentioned on the website. During the interviews the values “togetherness,” “empathy,” and “personal involvement” were mentioned. The latter is displayed by the staff’s knowledge of personal preferences of guests.

Communication

Although the firm is eponymous, at the beginning of the research project, the website mainly contained images of the various hotel rooms and the products offered. References to the family in text or image were missing, except for a single phrase “The (name) family and its employees ….” There was one photo of a person (waiter), but it was not made clear whether he was a family member. Textually, only the business operations and activities were described. On Facebook and Twitter photos of dishes and of the appearance of the company were shared and the occasional photos of family members were not accompanied by a reference to the family.

For a considerable time during the research project the website and social media were under construction, so no data from these sources were collected at the midpoint of the project. At the final phase of the research project, the website had changed. In the first sentence of the homepage, the term “family business” was included. In addition, a history section was included, in which the history of the family and the company was extensively described, and visually supported with photographs of the different generations. These photographs were also hung on the wall in the entrance. In addition to Facebook and Twitter, the firm now also uses Instagram, although not much has changed in terms of content. The core values “personal involvement” and “togetherness” are conveyed through, for example, information about the sponsoring of local (sports) clubs and associations.

During the pandemic some of the regular customers kept in touch and offered their help. The communication with the staff was mainly about the business and the work, and only carried out when necessary, and contact was maintained via WhatsApp groups. There were regular contacts with the suppliers. The owners indicated that they sensed a mutual understanding, respect and the feeling of “being in this together.”

The owner(s) decide about firm communication with input from employees. Profiling, communication, and firm appearance are usually not on the agenda since they do not consider this as their core business, and there is no specific, scheduled time for discussion about and making decisions on communication. This is generally done as part of other activities so decisions mainly concern operational matters, such as sponsorships.
Firm 11
This cafeteria is a micro-sized firm located outside the center of a city in the north of the Netherlands. The firm was founded in the sixties of the previous century, as part of a shopping center in a new district where hundreds of homes had been built. The current owner, first generation, bought the firm about 25 years ago. Apart from the owner himself, various family members work in the company, although all part time: his daughter and son serve customers and prepare takeout orders and his wife does the administration and is responsible for the website and social media. There are also a few other employees who are distant relatives. The daughter has a full-time job in a different sector, but is considering taking over the firm in the long term.

The core values that are mentioned on the website are “quality,” “service,” and “sustainability.” Examples that are given are about portion sizes, way of baking, packaging and cleaning materials. During various interview sessions, in addition to the aforementioned values, “customer focus,” “independence,” (i.e. not affiliated with or part of a chain) were added, along with “responsibility” (about products and the customer), “hospitality,” and “reliability.”

Communication
At the start of the research project, the website predominantly contained information about products, sustainability, and the preparation process of food. The photographs showed products and dishes. This was also the case on social media channels. Although a photo of the family and employees was occasionally shared, there was no mention of the family and history. Facebook was the main medium for information, for example, about the opening hours, and for online communication with customers.

During the research project, the family members became more aware and appreciative of the family culture in the company, but the owner remained reluctant to conveying the family owned nature of the firm. While at the end of the project photos of the family employees were added on the website, there was no reference to family ownership, apart from a tacit mention in a vacancy text. On the website the value of “sustainability” was strengthened by a very detailed description of firm operations. The value of “customer focus” was expressed by sharing ‘tips for home fryers' on the site.

During the COVID-19 pandemic, the company was not closed entirely, but customers were not allowed to wait or eat in the cafeteria or even on its terrace. Communication with customers was therefore experienced as complicated because, despite being open, the owner could not express hospitality. Where he usually chats while preparing an order or while the customer is eating, he now tried to do so in the limited time during the order. Where communication with suppliers was normally informal, with a cup of coffee, it was now purely business. Facebook was used mainly for like-and-share actions and posts such as “Thank you for your support and understanding.”

Decisions about communication are made by the owner and his wife after consultation with their daughter and son.
Firm 12
Company 12 is a campsite located in the west of the Netherlands, near the beach. The company is owned by a family that also owns another campsite a few kilometers away. The campsite offers the possibility to camp, but also has several beach houses, tents, lodges, and chalets for rent. In addition, the company offers facilities such as a riding school, a swimming pool, and catering. The company was started by the grandparents of the current owners. Their daughter-in-law took over and now shares the property with her six (adult) children. Two of those siblings (a brother and a sister) are responsible for day-to-day management, while three other siblings also work for the company. As core values, “trust” and “authenticity” are emphasized in data collection sessions, but these are not mentioned on their communication channels.

Communication
The campsite is a member of a chain of franchisees, so much of the overarching communication is taken care of. Family ownership of the firm is not explicitly communicated, although pictures of family members are occasionally shared on social media. At the beginning of the research project, the website mainly contained information about the park, the rates, and the environment. On a page “Meet the team” a picture of the family members with their names was displayed. The homepage contained the word “family campsite,” which can be interpreted as a campsite where mainly families recreate, or a campsite run by a family. On Facebook and Instagram impressions and announcements of events were shared and one photo of two brothers. This communication remained more or less unchanged during the project. The family bought a nearby pavilion during the last COVID-19 lockdown in 2022, on the website of which they do refer to family ownership and family values. The two managing siblings decide on the company-specific communication. Since they usually agree on this, there is not much discussion. (During the pandemic, the owners temporarily suspended their participation in the research project. This means that no data were collected during this period.)

Firm 13
This is a medium-sized, highly regarded campsite located on a river in the middle of the Netherlands. The region offers many opportunities for cyclists and hikers and is therefore popular with tourists. The campsite has various different accommodations for rent, such as tree houses, hikers’ cabins, river lodges, and apartments, and also has about 200 regular camping spots for families and hikers. Facilities include a heated swimming pool, boat rental, entertainment staff, restaurant, and on-site shop. The company was founded by the grandparents of the current owner early in the 20th century. They had a farm close to the current location of the campsite. Because the farm was not profitable enough, a recreational branch was added to the business. This was developed into a campsite after the Second World War, when a growing number of people began to recreate in their spare time. The current owner gained full ownership from his parents.
almost 40 years ago. Since then, the campsite has grown considerably through the purchase of land that became available around the campsite.

The owner and his wife have two children, but they have a career of their own and are not (yet) interested in succeeding their parents. The day-to-day management of the campsite is in the hands of the owner and the manager. The company has 15 permanent employees and about 30 additional employees during the high season. Only one of these employees is a family member. She works for the firm as a catering manager.

During data collection sessions the owner and managers expressed “personal involvement,” “flexibility,” “reliability,” “hospitality,” “solidity,” and “sustainability” as firm characteristics and values.

**Communication**

At the start of the project, the website contained many photos of the campsite and its surroundings and textual information about the location and facilities of the campsite. In addition to the website, the company used the social media channels YouTube, Instagram, and Facebook. These channels were mainly focused on the experience of camping on the site and brought the various facilities to the attention. None of the social media channels or the website referred to the owning family. This remained more or less the same throughout the project, although, towards the end of the project, the channels and content showed slightly more attention to the people behind the firm, mainly through pictures of the team. Sustainability is the only value that is clearly communicated on the online channels, for example, through conveying information about their microbiological cleaning products and environment-friendly pool heating. In addition to the digital channels, the company communicates with guests through a well-illustrated printed bulletin.

During the COVID-19 pandemic, the campsite was allowed to stay open under strict rules. These (frequently adjusted) rules were communicated with regular and future guests via the website, social media, and personal e-mails. There was no active communication with the suppliers, but the relationships with suppliers are considered as good and a strong sense of reciprocity in doing business is felt.

Decisions on communication are made by the owner and the manager. However, they take their children's opinions and views seriously and are open to their feedback. The design of the online marketing and website is done by a cousin who owns an online marketing agency, but he has no say in the content.
Appendices

Appendix 4: Examples of visuals and language usage

Pictures on a website without references to the family

On the website of this firm, the attention goes to the products and services that the hotel-restaurant offers. There are many pictures of the hotel rooms, the restaurant, and the food that is served. The illustrations show what the family business wants to demonstrate that it is really good at: offering atmosphere and quality. However, there is little attention on the website for the family or the staff members who run the company. Apart from a single and small mention on the home page, there is no indication that this is a family business. Facebook however does show pictures of the staff, including members of the owning family:
Pictures on a website with reference to the family

The website of this firm shows a combination of the offered products and the family behind the firm.

Visual references to history on websites or as physical artifacts
Some firms highlight the shared history of family and firm by visual references to history. The picture above was placed on the website, comparing the exterior of the building in the past with the current building in text, thereby emphasizing the authentic character of the firm and the family relation. The photograph below was taken from the interior (of the dining room) of another firm. It shows pictures of several generations of owners, a genealogy, a historic map of the surroundings, and newspaper articles. The left picture below shows a family coat of arms on the wall of the building. The right picture shows name and number of a hotel room. In this hotel, the room names refer to something in the area that has a historical relation with the firm. The historical picture illustrates where the name comes from. For instance, “Siepel” means “onion” in the regional dialect, which refers to the onion-shaped tower of the nearby church.
Examples of language usage on social media, with emphasis on products and services without reference to the family

"We are happy to sit down with you to put together a tailor-made package."

"Do you or your colleagues have to work overtime? Especially for you, [company name] provides and delivers hot meals on location all year round. Every day we present a good quality meal with varying ingredients, so that you and or your colleagues can take your work another round."

"The camping fields of camping [name] are spacious and equipped with every possible luxury. Each place is equipped with water, drainage, electricity, TV connection, and Wi-Fi. In our shop we sell fresh bread rolls, newspapers and miscellaneous."

Examples of language usage on websites and social media with reference to the family

“The entrepreneurial spirit is still embedded in the family. Son [name] becomes co-owner. The first steps have been taken to professionalize catering by opening a new kitchen and storage location. With brother [name] further plans are being forged for the future.”

“Over the years, the firm has been developed as it is today, in the middle of the [name] estate. The fourth generation of the [name] family continues to offer you hospitality at this cultural-historical place on the outskirts of [name of location].”

Examples of language usage on websites with reference to family-owned status only
“Being part of the [franchise chain] group and as a member of the [name trade organization] this family business guarantees an high quality of care and gastronomy.”

“[Name hotel] is a family hotel in [place] since 1965. A charming and aimable address for you and your guests.”
To be or not to be a Family Firm
An Exploration of Identity Management in Business Families

This dissertation aims to advance understanding of identity processes in family firms, specifically regarding the connection of family and firm identity. This connection can have advantages and disadvantages for both the family and the firm. However, identities, whether on individual, group or organizational level, are not static, so there is no reason to assume that the connection between the identities in family firms is static. This raises the questions of how and why business families manage the identity connection of the family and the firm.

An interpretive, longitudinal approach was used to study identity processes in 13 family firms in the hospitality sector. The findings show that a family firm identity, and the maintenance of the connection between family and firm, can have a profound effect on identity processes on individual, family and firm level. Perceived incongruences within and between these levels are incentives for owners to renegotiate how these levels are connected, although this does not have to be a conscious process. This renegotiation can include a change in identity to restore congruence. Perceptions about both external and internal stakeholders play a very important part in the degree to which and the way in which owners manage the connection of the family to the firm.

The dissertation contributes to the family firm literature about the integration of family and firm identity and to the corporate communications literature by highlighting the influence of the family on communication and vice versa.

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