Strategy Formation in the Family Business: The Role of Storytelling

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ABSTRACT

This paper takes an interest in the past, as depicted by family business owners, and how it is reflected in the governance of the firm. The purpose of this paper is to explore how family business owners express and perceive their family business story and the implications for the strategy formation of the firm. Through the storytelling from 20 cases, we conclude that they embrace their past through different degrees of adoption and their promotion or prevention focus. We construct four typologies: strategy formation through reinforcement, renewal, remembrance and rhetoric. The implications of storytelling and these typologies are discussed.

Key words: Family business history, storytelling, adoption, prevention-promotion, strategy typologies

INTRODUCTION

All firms have a history. History has been in focus in organizational and management research for a long time and for different reasons, including its importance to strategy making (Drozdow and Carroll, 1997; Ericson, 2006; Brunninge, 2009). Drawing on two extensive in-depth cases, Brunninge (2009) has found that the company history is a powerful tool that can be drawn on selectively and purposefully in order to influence the strategy of the firm. In family firms, history plays a special role when it is expressed in present values and is an espoused part of the company culture. How culture is ingrained by history, especially the founder’s role, is a well-researched area (e.g. Dyer, 1986, 1988; Kets de Vries, 1993; Gersick et al., 1997; Garcia-Alvarez, Lopez-Sintas and Saldana Gonzalvo, 2002) where the culture is characterized as founder centric (Schein,
Family culture, in turn, affects to a great extent how the firm is governed in general (Kets de Vries, 1993; Hall, 2003). So, for instance Hall, Melin and Nordqvist (2006) claim that family values, goals and relations have an impact on the strategy formation in the family firm where strategy is about “moving from its [the firm’s] history to its future” (p. 255).

More than in any other form of organization, family business owners readily convey the firm’s history. They are in this sense good storytellers. We hear them readily convey the same story over and over again and their emotional attachment to the business (Björnberg and Nicholson, 2008) is shown in their passionate storytelling. However, research on family businesses has to a lesser degree covered why and how storytelling may be reflected in the firm’s strategy formation and strategic choices. This is surprising considering that the family business setting offers manifold opportunities to probe into historically embedded practices (cf. Stewart, 2008) and their possible relevance to the governance of the firm. Likewise, storytelling is loaded with emotion (Sutton, 2004) and the importance of “bringing body, emotion and motivations into practices” where they form a store of skills that can be employed in their strategy formation is emphasized by Jarzabkowski and Spee (2009, p. 82).

The purpose of this paper is to explore family business owners’ storytelling and how this is mirrored in the present strategy formation. Such a family business history by nature involves enmeshed memories since the family, business and ownership are interwoven and may therefore include both family and business events as well as traditions and values formed over the years. We are thus interested in discovering why the story is told by the family business owner and whether such stories reveal anything about the present governance of the firm.

The rationale for this paper is governed by the ambition to make the following contributions. First, we aim to add to the emerging stream of literature on psychological
ownership in family firms with an empirically grounded study, since storytelling proves to be part of family business owners’ strong bonding to the firm. Second, we aim to add to the literature on corporate governance in family businesses by showing how these stories inform the firm’s strategy formation. Third, increased knowledge of how the storytelling of the company history may affect the present strategy formation will provide family business owners with an increased insight into the individual, the firm and the institutional levels. So, for instance, it helps the storyteller in a general sense to be aware of the history as a driving and/or restraining force in strategy formation on the firm level. This is in line with both the literature that has dealt with the firm legacy as a hindrance to strategic renewal (e.g. Drozdow and Carroll, 1997; Miller, Steier and Le Breton Miller, 2003) and the literature that gives voice to the opposite (e.g. Miller and Le Breton Miller, 2006; Le Breton Miller and Miller, 2006). Further, as we find out in this paper, storytelling tends to have strikingly similar features among many family business owners, and so builds up some institutional images of family firms where storytelling seems to be an active and strong part of the identity building as a family business owner. Fourth, by combining the degree to which family business owners identify with their family business story and the degree to which they are willing to make use of it in their strategy formation, we suggest that storytelling shows that the family business history influences strategy formation in four different ways, namely through: 1) reinforcement, 2) renewal, 3) remembrance and 4) rhetoric. We link the result with the concept of founder centrality (Kelly et al., 2000) and introduce owner centrality as a special way for family firms to relate to strategic management. Finally, for family business owners there lie personal gains such as motivation to be constantly in touch with history and also to improve their ways of forming strategies (cf. Balogun, Huff and Johnson, 2003; Whittington, 2003; Mantere, 2005) where storytelling forms part of the family’s tacit knowledge.
This paper consists of four parts. After our introduction we will place our study within the theoretical frame of psychological ownership and storytelling. We deem psychological ownership suitable for explaining why family business owners are keen to tell their story and why there is a link between storytelling and strategy formation. Further, our ambition is to go beyond the typically ahistorical approach to strategy formation (cf. Booth, 2003) and treat history as something dynamic and as such both performative and involving self-making. We thus want to investigate how family business owners act on what they believe is the history rather than treating the past as merely path-dependent (cf. Teece, Pisano and Shuen, 1997). Within this framework, we suggest four propositions for how family business owners’ storytelling is part of their governance of the firm. In the third part we bring in an empirical study in order to put our propositions to the test. We finalize the paper with a discussion and implications.

THEORETICAL FRAMEWORK

Psychological ownership

An emerging stream of literature has relied on psychological ownership within the family business context in order to make sense of the ownership dimension as not merely a juridical or financial concept in family firms (Lehti, 2008; Björnberg and Nicholson, 2008; Nicholson and Björnberg, 2008). Further, strategy formation is claimed to be rooted in socio-psychological dimensions of ownership (Hall et al., 2006) and we therefore turn to theories of psychological ownership in order to explain why and how storytelling and strategy formation are intertwined. Psychological ownership can provide an explanation for why family business owners are so attached to the family history through their emotional ownership of (Björnberg and Nicholson, 2009) and their emotional bonding to their firm (Brundin, Florin-Samuelsson and Melin, 2008). In turn, we argue, such ownership is a mechanism that influences strategy formation.
Ownership can be understood from the perspective of psychological and social dimensions (Pierce, Kostova and Dirks, 2001). It builds on the notions that a) it is part of the human condition, b) it may be directed towards both material and non-material targets and c) it has important emotional, behavioral and psychological consequences (Pierce et al., 2001, p. 299). Psychological ownership is the “state in which individuals feel as though the target of ownership or a piece of it is ‘theirs’ (i.e., ‘It is MINE!’)” and at the heart of psychological ownership are feelings of possessiveness and the sense of being psychologically tied to an object (Pierce et al., 2001; Avey et al., 2009). This object may be tangible, such as a building or shares in a family firm, or intangible, such as a family business or the family business history. This indicates that family business owners in the psychological sense may feel and claim ownership over their family business story and that such ownership may lead to actions where this ownership is manifested.

In addition, possessions become extensions of the self in the sense that they are intertwined with individuality and self-identity (Belk, 1988; Dittmar, 1992; Pierce et al., 2001). Dittmar (1989; 1991) argues that possessions are used as signs of personal identity and can represent a person’s unique qualities, values and attitudes, e.g. a record of personal history and memories (or the family business), and symbolize close interpersonal relationships. In their interaction with possessions, individuals’ “sense of identity, self-definitions, are established, maintained, reproduced and transformed” (Dittmar, 1992, p. 86). To run a family business can even make the family business owner regard the owned object as his or hers as much as his/her thoughts, words and emotions (cf. Marx, 1978; James, 1980/1890). To be an owner of the family firm defines meaning in life and family business owners, especially in the second or subsequent generations, internalize the core values of the firm, as if they were part of
the owner’s self (Hall, 2003; Lehti, 2008). To tell one’s family business story may therefore be a way to reinforce one’s identity.

The roads to psychological ownership, as outlined by Pierce et al. (2001) and Avey et al., (2009), involve controlling and becoming acquainted with the target and involvement. The amount of control over a target is commensurate with the degree of ownership that is felt towards it. Secondly, the extent to which one becomes acquainted with the target is commensurate with the degree of ownership the individual experiences toward that factor. Thirdly, the extent to which an individual involves himself/herself and makes investments in a target is commensurate with his/her degree of felt ownership of that target. It is likely that family business owners will show high degrees of psychological ownership in terms of control, knowledge and self-investment.

A family business owner who is in charge of the business will experience feelings of satisfaction and self-efficacy (Pierce et al., 2001; Avey et al., 2009). In a similar way, the family business represents a place of belongingness, a social arena where the family business owner spends an immense amount of his/her time, which usually results in emotionally charged experiences (Harris and Sutton, 1986). The outcomes of psychological ownership are most often positive, such as feelings of responsibility and commitment. The extra-role behavior where the individual acts outside the required work activities (Pierce et al., 1991) is empirically proved to be a consequence of psychological ownership (Vanderwalle, Van Dyne and Kostova, 1995). A family business owner may thus take extra action in order to uphold the company history manifested in norms, values and strategic directions. However, psychological ownership also comes with claims for certain rights, such as rights to receive full information and to be influential when it comes to decision making (Pierce et al., 2001). This leads to the right to hold others accountable but also to responsibilities for the “self”, a so-called “sense of burden sharing” (Avey et al., 2009). Another outcome of
psychological ownership is territoriality (Avey et al., 2009), i.e. the individual becomes territorial over the target, be it a strategic direction or the business, with all rights reserved to him or her. Such feelings of territoriality increase in situations where the target is threatened by “external” entities that are at the same time a threat to the “self.” Such threats can, although not necessarily, lead to dysfunctional behavior (Pierce et al., 2001; Avey et al., 2009). So, for instance, a change in strategy may be regarded as a threat to the identity and/or generate feelings of losing control and lead to exceptionally high demands on others or to self-sacrificing behavior.

Building on Higgins’s (1996) regulatory focus theory and Avey et al. (2009) we may distinguish between two different forms of psychological ownership among family business owners: promotion- and prevention-focused psychological ownership. Family business owners may be promotion-focused and thereby more interested in accomplishments and aspirations. They may purposefully pursue goals that mirror their hopes and ambitions. This makes them more inclined to take risks. Prevention-oriented family business owners focus on stability, safety and predictability. This would make them risk-averse and in favor of values of conservation, whereas promotion-focused family business owners are in favor of openness to change (cf. Liberman et al., 1999). In the family business context, owners with promotive psychological ownership may be more open and flexible in relation to family norms and values in their strategy making whereas owners with preventive psychological ownership are more resistant to changing norms and values, i.e. the history legacy. Viewed in this way, family business owners who are promotion-oriented are presumably less likely to be victims of path dependency; rather, they are aware of the call for change. Prevention-oriented family business owners, on the other hand, are more likely to hold a more conservative attitude towards the past.
The distinction between promotion- and prevention-focused psychological ownership will be of importance later on for our four propositions. However, first and next, we will go more into detail about storytelling as performative.

**History as storytelling**

Firm storytelling can be disseminated through various oral modes, such as in informal and unscripted day-to-day conversations with suppliers, customers and employees, as well as the more scripted storytelling employed when meeting the press, bankers and other such audiences. Written modes may include “minimal narratives” (Czarniawska, 1998, p. 17) in brochures and web pages, as well as the longer narratives that can be found in annual reports and business plans (Martens, Jennings and Jennings, 2007).

Family firm storytelling provides exceptionally rich material (Hamilton, 2006) and is employed to control, construct and reinforce the family’s control over both the (hi)story and the day-to-day processes. It also works as a fundamental mechanism for maintaining and fortifying the family and the business systems (McCollom, 1992) and the structures, culture, rules and roles that are established through family firm storytelling are often unquestioned (Hollander and Bukowitz, 1990).

In Miller and Le Breton-Miller’s *Managing for the Long-Run*, the authors found that family firms “lived as much in the past as the future: Some traditions were sacrosanct, and fulfilling a family mission was almost always more important than any bottom line – in fact it was the bottom line” (2005, p. 5). Indeed, storytelling and oral history have always been the traditional medium for sharing family beliefs and practices through generations, and unlike the historian the storyteller is not bound to explain in one way or another the happenings with which s/he deals but can content him/herself with displaying them as “models of the course of the world” (Benjamin, 2002, p. 153). This is in line with Boje’s (1995, p. 1000) definition of storytelling as a system where
“the performance of stories is a kept part of members’ sense-making and a means to allow them to supplement individual memories with institutional memory.” In line with Bruner and Weisser (1991), family business stories and the family “lives” are texts: texts that are subject to revision, exegesis, reinterpretation and so on. However, these “human texts” are continuously recomposed and restoried, that is, they are subject to continuous change, and in this process of authoring and re-authoring narrative tools are used when weaving new themes into the storytelling. Storytelling thus becomes linked with the storyteller’s identity. Viewed as such, storytelling is then “a ‘production’ which is never complete, always in process, and always constituted within, not outside, representation” (Hall, 1990, p. 222) and evolves over time in a relational way to the day-to-day business.

We can therefore assume that owner influence on storytelling is particularly decisive in family firms considering the intricate mix of the family history and the family business history that may confirm and vie with each other during family member interactions (Kelly, Athanassiou and Crittenden, 2000). Indeed, the founding generation governs both the firm culture and the day-to-day actions through personality, values and beliefs (Ward, 1990; Kets de Vries, 1996) as well as family values, rules and histories and so the business is often “tied psychologically to the founder’s ideas and intentions. The business is more than just a business that can be directed rationally; it is also an institution representing the founder’s legacy” (Drozdow and Carroll, 1997, p. 76). Indeed, this mutual influence between family and business distinguishes the field of family business studies from others (Astrachan, 2003; Dyer, 2003; Habbershon, Williams and MacMillan, 2003; Rogoff and Heck, 2003; Zahra, 2003) and partly explains a family business culture’s rootedness in owner and family histories (see Alvesson, 1993, p. 23).
From the review on strategy making in family firms, we find a lack of research on business owners’ own storytelling about their family business history in relation to strategy formation. Bhalla, Henderson and Watkins (2006) are among few researchers who apply a narrative approach as a way to gain insights into strategy making in a South Asian retail grocery family firm. The authors claim that it is the analytical tool of the narrative that provides more knowledge rather than the events in the company. However, in the Bhalla et al. study, the researchers did not ask the owners to relate their family business story. This leads us to an interest in why and how such stories are presented by the family business owners, how they relate to them and whether it is possible to trace such a presentation forward in time to the present strategy formation.

Family business “history” and “the past” are often used synonymously and without any further problematization. From the above it should be clear that this paper sees “the past” as something non-recoverable, that is, “the past” has no existence of its own and is waiting to be (re)constructed. This means that the family history that is told by the family business owner is the story how s/he perceives it and how s/he thinks it has taken place. We see the past as something that becomes negotiated as it is represented. A story is provided, in this case by the family business owner, and consequently it represents but one narrative told about the same events and the same past (White, 1990). However, this narrative is not a supreme and objective history but bears the fingerprints of its interpreters. In fact, even when the business owner more or less abandons the history of the firm and to a very limited extent relates to the firm past, the very act of storytelling “imposes an unavoidable continuity, wholeness, closure and individuality” that the owner wishes his/her firm to be “incarnating” (White, 1990, p. 87). What is more, the story becomes some sort of self-legitimization that confirms the owner’s authority and self-identity (Lyotard, 1984).
From the above we can conclude that stored storytelling may have specific strategic functions where the history in the owners’ minds may be linked to the company strategy. That is, owners may adjust historical episodes according to their present strategic needs. If we see the family firm history not as involving digging up a past or a truth but as a tool, it poses certain questions. What we then need to deconstruct is why a family business owner narrates history in a certain way and what the function of this history is. It is through this storytelling that it would be possible to trace how the family business owner forms strategies. On a more general level, one could say that these collections of firm histories in the minds of the owners are narrated stories of founder agency and intention.

**Strategy formation and storytelling**

When a family business owner forms a strategy through storytelling, it has a profound impact content-wise on the history told. The meaning of the owner’s discourse on the firm history is derived from the structure and context of what is narrated, that is, through which stories the owner chooses to form a strategy. In other words, the past only exists for us as narrated (cf. Munslow, 1997). From this point of view, the past then only exists as history because it has been provided with a narrative structure, and “historical facts are really only events under a description” (White, 1995, p. 240). That is, if we, following White, define the quintessence of history as literary enterprise and understand that we know the past through the narrative form we apply to it, what is particularly interesting is how owners form strategies through *different ways of relating to the* family business history by endowing the past “experience of time with meaning” (1987, p. 173). Therefore, the way the firm history is emplotted gives rise to different kinds of meanings: “We know the world in which we live only to the extent that we prefigure and narrate it to ourselves. History may, or may not, be merely a story we tell
ourselves for various social or power purposes, but equally it is possible to conceive of it as a re-telling of the emplotment of the lived past itself” (Munslow, 1997, p. 134).

For example, a family business owner may refer to notes or incidents from the past that have become an important part of the present owner’s cognitive thinking. In another forum, s/he makes a decision that results from these notes and that has a bearing on the firm’s strategy formation. This may be an altogether unconscious process but is not necessarily so. To repeat the family story now and then to visitors and customers – or to display it on the Web – may be viewed as ways related to a strategic outcome. We argue that family business owners differ in terms of the extent to which they adopt the family (business) history when elaborating on their present and future business and governance actions. With the term *adopt* we refer to the family business owners’ willingness, consciously or unconsciously, to adopt the family firm history into the present, where it may influence day-to-day activities such as strategy formation. With a high emotional bonding to the firm and a strong identification with the firm, where the psychological ownership symbolizes to a high degree the family business owners’ identity and where the firm represents the place and arena where they belong, the more likely it is that they will be willing to adopt the family business history. When owners construct their versions of the family business history we assume that the higher the psychological ownership is, the higher the adoption would be.

Further, from our discussion on promotion- and prevention-oriented psychological ownership, we propose that family business owners in their storytelling show a promotion focus or a prevention focus. Family business owners who are promotion-oriented tend to be more willing to make use of their family business history in a proactive way in their strategy formation. They are concerned with strategic issues like growth and advancement (cf. Crowe and Higgins, 1997). Family business owners who are prevention-oriented are less willing to make changes in their strategic work and
tend to preserve the family story in their strategy work. They take a precautionous posture and are interested in securing the past filled with obligations (cf. Kark and Van Dijk, 2007).

Combining the two options of high and low adoption with the family business owner’s promotion or prevention focus in regard to the family business history, we identified four typology characteristics, which illustrate the extent to which their storytelling showed their willingness to make use of their family business history – and how. See figure 1, where we have combined the family business owners’ degree of adoption with their prevention and promotion focus, respectively.

INSERT FIGURE 1 ABOUT HERE

We propose the following:

1. A high degree of adoption combined with a prevention focus is characterized as *strategy formation through reinforcement* of the family history. In short, the family business owner takes a particular interest in the family history and is not willing to change much of the past in the present strategy formation.

2. A high degree of adoption combined with a promotion focus is characterized as *strategy formation through renewal* of the family history. In short, the family business owner is likely to adopt much of the family business story at the same time as making active use of it in a renewed way in the present strategy formation.

3. A low degree of adoption combined with a prevention focus is characterized as *strategy formation through remembrance* of the family history. In short, the family business owner is likely to adopt some of the family business history; however, it is not very visible in the present strategy formation. Such a family
business owner conveys the family business story as something rather apart from the present daily activities.

4. A low degree of adoption combined with a promotion focus is characterized as strategy formation through rhetoric of the family history. In short, this means that the family business owner adopts the family business story to a smaller degree but that what is adopted is highly and actively visible in the present strategy formation. Such a family business owner is not very attached to the family business story but sees the benefit of making use of it.

Generally, adoption in terms of business owners’ construction of narratives on family business history is supposed to be employed by family business owners to a certain extent but it would differ in terms of the perceived identification with the past and how affected the family business owner is by the story s/he tells. However, most business owners presumably make use of their family business history as a shaper for current strategy formation.

Again, this paper is primarily interested in owners’ attitudes towards their business history and our interest lies in how expressions of stories about family business history are constructed, integrated and used in the company’s strategy formation. We looked at the dynamic interaction between adoption and the promotion and prevention focus in the context of the family business history. The terminology of adopt and adoption has a close connection to “identify with” and “conform to,” related to psychological ownership, giving room for a more dynamic view of how history is constructed (cf. Bruner, 1990).

Next, we will put our four typologies to the test empirically. First, we will give an account of our method and analytical tools before we bring forward some typical examples from each of the four typologies of strategy formation.

METHOD
Storytelling is a valid means to relate to history. Storytelling is a resource for examining social and psychological issues and for understanding everyday organizational life and its cultural context. Thereby it contributes valid knowledge (Sjöberg and Kuhn, 1989). Storytelling thus becomes an accepted means of gaining insights into an individual’s personality (Singer, 1996) and a way for people to make sense of their lives as stories (Ruth and Vilkko, 1996, p. 167). Such storytelling mirrors a socially constructed reality bringing understanding to the story told and it sheds light on past and present events from a different and insider perspective. Such knowledge focuses on what is distinct and special to each action and storied memories of the situation are retained, together with the emotional meaning linked to it (Singer, 1996). From our point of departure with psychological ownership and storytelling as performative, we deem storytelling to be suited to our purpose. Analyzing strategy formation by applying a narrative analysis in storytelling has been used to a fairly high degree within the strategy-as-practice field (e.g. Samra-Fredericks, 2003; 2005; Vaara, Kleymann and Seristö, 2004; Balogun and Johnson, 2005; Laine and Vaara, 2007). Narrative analysis in combination with “historically embedded practices and their situated manifestation in action” (Jarzabkowski and Spee, 2009, p. 84) are, however, rare.

Our study is based on 20 cases of family businesses including 23 juridical owners spanning different generations, life cycles, sizes and industries, listed or privately held (see appendix 1 for a detailed background of the cases). We purposefully picked out a number of firms that we knew labelled themselves as family firms with family control of juridical ownership as the common characteristic and where the sample was meant to mirror the heterogeneity of the family business population. The sample is also supposed to include businesses with various degrees of growth orientation, market orientation and awareness of the family business image. Three of the firms are listed companies controlled by family owners while the rest are privately held.
The cases build on conversations with leading owners in these family-controlled businesses, often the CEO or chairman of the board. They were asked to tell the firm’s story from “the beginning” through the present situation up to future intentions and we paid special attention to our purpose to see how they related their past to the present strategy formation of the firm. Most conversations were carried out on company premises and lasted between 2 and 4 hours where at least two interviewers were present. The conversations revolved around issues such as the roles and meaning of family business/ownership (juridical as well as perceived ownership), the ownership structure in past, present and future generations, individual firm ownership values, owner relationships, succession issues and their ways of forming strategies. Each conversation was recorded and transcribed into full text, and in total resulted in over 600 pages. Other sources included company-specific annual reports, web pages and internal documents with which we could interpret the present strategies.

During the storytelling, the initial selective phase decided what content the owners wanted to include in the narrative in relation to the present and what they wanted to exclude. This depended on what they wanted to achieve and what they wanted to construct in their storytelling. In the second phase, when the business owners had set the scene, they tapped into the family business story through various sets of meanings, that is, they reproduced the family business narrative for particular events to produce a particular version of events (cf. Burr, 1995). Based on an interpretive analysis of the transcribed interviews (Denzin and Lincoln, 2000; Silverman, 2001), we particularly looked for common characteristics and patterns in the company owners’ narratives in terms of how the family history was integrated into strategy formation.

From here, we categorized these characteristics and patterns according to the degree of adoption of the family (business) history, that is, the extent to which history was an active function of the owner’s family business narrative in the present strategy
formation. Next, we categorized the promotion and prevention focus, respectively, that is, the degree to which the family business owner was proactive or reactive in the strategic use of the family history. This was carried out separately and individually by the authors and the cases were rated on a Likert scale that ranged from 1 to 5. A case that was deemed to show low adoption was ranked as either 1 or 2; medium adoption was ranked as 3; and high adoption was ranked as 4 or 5. We performed the same inter-rater reliability test (James, Demaree and Wolf, 1984) to decide whether the stories illustrated a promotion or prevention focus to make use of the history in their governance. Tables 1 and 2 give examples of our guidance in the procedure that was used independently by the authors after a joint decision regarding what low, medium and high adoption stand for, as well as what a prevention or promotion focus stands for in our cases.

INSERT TABLE 1 ABOUT HERE

INSERT TABLE 2 ABOUT HERE

The indexes correlated significantly and highly with each other, showing a concordance of 80% for adoption and 85% for the division into a promotion or prevention focus between the interpreters and authors of this paper. This figure is considered high and satisfactory (cf. Frese et al., 2007 with a concordance of 69–82%). The cases that we did not agree on from the beginning were discussed until we reached an agreement. The combination of the figure of adoption and that of promotion and prevention was marked in a grid (see figure 1).

Our interpretation and classification were made more difficult since, on a general note, our analysis of the family business owners concurs with general conversational analysis theory (Potter and Wetherell, 1987), in that the owners’ narratives are very fragmented in the sense that they show great flexibility and variation. For example, in one case (Clamps), the chairman of the board at one point in the
conversation refers to himself as a mix of a concerned member of society and a content businessman (on the topic of future production in Sweden), whereas a little further into the conversation he exclaims that he shuns all kinds of social responsibility. This is in line with other narrative analysis studies, “which see wide discontinuities between theory and practice in different realms” (Potter, 1998, p. 31). What is also very clear is that ownership takes on different dimensions – i.e. not merely financial and juridical but also psychological and socio-psychological.

**EMPIRICAL ILLUSTRATIONS**

Below we have chosen two family business stories in order to illustrate our propositions above.

**Typology 1: Strategy formation through reinforcement (high adoption, prevention-focused)**

The function and reproduction of family business historical storytelling are typically constitutively used in the companies we grouped under typologies 1 and 2. The firm story is seen by almost all of these companies as not only useful but also unique and indispensable. What is more, the firm’s strategic inclinations and its road towards progress and the desired end-state build on and harmonize with its family business story.

*Case Bookworms*

Digging for the roots of the family business was found in Bookworms, where the shadow of the sudden and unexpectedly deceased father is said to linger in the current strategies and operations:

I believe that … [the company] has a family spirit – that it is a family-owned company – that I believe is left in the walls. If you speak to the employees, at least those who worked here when our father lived, they feel it still. (Co-owner of Bookworms)
The present owners continuously dig into their historical images of their father in terms of past decisions, customs, strategies and business rationale, even though no ownership succession was prepared or executed at the time of the founder’s demise. The two daughters try to find out what they ought to do in order to honor their father, and this surmising is even stated as a fundamental condition:

Business owner 1: However, of course it has changed, it has. I carry with me his business rationale, so sometimes I think a bit about this thing with my father, his practice and strategy [...] and is it in line with what we have in mind now and so on. It is probably a prerequisite.

Business owner 2: Yes … yes, but I believe that many of his basic principles have been a bit hammered into us, right? And, well perhaps not always, but I believe we often start off from them when we … when we, as it were, ask questions or consider various issues.

Employees who have worked with the founder are used as resources for preserving the historical images and representations of the owner, securing that the owner’s principles and rationale live on in daily activities:

Business owner 1: We have had employees and still have employees who knew my father for a long time. And he was an accessible person and he was always there, and he was very far-sighted. Not only because he went into the retail trade already in the 1970s and … no, he was, and still is an important figure in the company.

The firm’s storytelling is employed as a crucial strategy shaper. These strategies are used consciously to preserve knowledge, ideals and memories from the previous generation in the present and are used by the next-generation owners to reconstruct and reassemble such strategies even when the previous generation did not explicitly hand over such stories and narratives. One typical example of the prevention focus at Bookworms is given by the CEO (husband to one of the owners) who says that he has forcefully tried to change the previous strategy of publishing only in Swedish, but has been told by the two owners that this is a strategy that will not change. Bookworms is thus categorized as a family firm with a high degree of adoption of the family history.
with a prevention focus, here labeled as strategy formation through reinforcement of the family business history.

*Case Pomme*

A similar example of a dynamic tapping into the firm’s storytelling to build into current operations is found in Case Pomme, where the company describes itself as a family business with 100 years of history. The firm’s story here also influences motivation and performance, illustrated in the following metaphor by the business owners when asked about ownership disadvantages:

Male owner: - Since one has always been involved in it, it is hard to think about a life without it. It is so natural, you have it in you.

Female owner: - Yes, it’s true.

Male owner: - It comes with one’s mother’s milk.

(Conversation between the two sibling owners of Pomme)

Pomme, in terms of marketing and branding, explicitly builds on the “historical assets and circumstances” “*which others could not take from us*”. This includes the fact that the company is a fourth-generation family business from a certain part of Sweden and basically “*lives off its apple trees*.” Pomme actively applies its storytelling as a way to market its business:

We are a third and fourth generation family business who can do this … so it is those kind of values which we are seeking to bring forward when we are talking about who we are. And our history helps us, because we live off our apple trees, as it were. In this way, we can benefit from our history.

(Male owner of Pomme)

Pomme also expresses a familial affinity with its customers (male owner of Pomme):

We usually say that we are a family who makes products for other families.

but also with its employees:

There are many families who are dependent on us […] we have a great responsibility for these people, that they are doing fine.
Pomme’s local community responsibility is described by the owners as a “cultural trusteeship,” which not only includes the rural district and county where the company operates but is also extended to the villagers and their families. This illustrates how Pomme’s narrative includes the sense of and definition of family in the strategy formation. The adoption of the history’s legacy is high, as is the willingness to preserve its strategies. We therefore classify Pomme in typology 1 with strategy formation through reinforcement of the family story.

Six cases were placed in typology 1: Aroma, Barrow, Bookworms.DIY, Pomme, and Publi.

**Typology 2: Strategy formation through renewal (high adoption, promotion-focused)**

In our analysis, we have seen how in some companies adoptive, promotion-focused combinations are dynamically entwined in owner storytelling.

*Case Barley*

In Case Barley, which is a fourth-generation family brewery, storytelling is used to produce certain versions of events, to establish rationales/criteria for making current strategic decisions. At the outset of the interview, the owner vividly elaborates on the company story, where he points to a historically grounded life philosophy that has been handed down from his grandfather, to his father and then further to the present owner and his brother:

My grandfather, who then was an employed master brewer, suddenly felt that no, it would be more fun to have his own business. My grandfather did not like his managers – that I remember that he told me many times. He did not enjoy working for the boss, because he thought that the bosses were stupid and he had this yearning for freedom, I believe. My father also started as an employed master brewer. Well, not in the family business but in other breweries and he described exactly the same thing for me. He did not like to be employed, had a yearning for freedom. He was employed at a much bigger brewery than Barley, but he stopped and instead took care of my grandfather’s family business. He went to a much more uncertain world,
existence, than that at which he was employed. So I think there was a yearning for freedom in both of them. (CEO and owner of Barley)

This philosophy is today an important part of the strategy formation where the “lust for freedom” theme is attributed to his grandfather, represented as “the assured brewer,” and his father, “the big fervent entrepreneur.” This extends beyond the company story and becomes an important part of the present strategies and governance:

We refer quite often to father and how he was to work with. And why I and my brother have a certain approach to things can often be derived back to father and sometimes also to grandfather. The way to treat our employees, to give a lot of freedom balanced by a responsibility. That is to say, not control from the top and so on. That was how mother and father treated us before we came into the company. And so, this has characterized, and we have also been implementing this, the way to lead our people. (CEO and owner of Barley)

The owner’s storytelling seems to adopt wholeheartedly the company’s story and he also makes active use of it in current business operations. What is more, he also anchors the present company strategies in the way he and his brother were brought up.

When the business owner is asked about how he will handle the next generation of ownership, he also refers to the family business story:

Just as my father did. He was very open and has never put any demands on us. I think that will come automatically. If you grow up in a company and experience it as something positive to have companies, I think you have it in you, a desire […]. (CEO and owner of Barley)

In this quote, the owner also reiterates “yearning for freedom” as a key family strategy ingredient. In fact, the owner’s story about the family business is laden with metaphors and images of the company as “something strong,” “tradition,” “a challenger,” “fighting spirit,” “always at it”. This is shown in the company’s continuous striving for proactive product development and marketing.

Overall, in Barley, the owner consistently links tradition, the company biography and an outspoken feeling of local community responsibility to positive outcomes and experiences and more specifically to firm strategic decision making.
The presence of a family context is visible not only in the owner’s storytelling but also in the company’s internal jargon. In Barley, the owner’s narrative witnesses an inclusive definition of family. Both the board and the previous chairperson of the board are represented in familial terms, “family” and “dad,” respectively. He also recurrently returns to images of “family spirit,” “safety,” “knowledge handed over,” “previous and past generations as impetus (ancestors – children)” and long-term planning, often using very personal and emotionally loaded images, stories and metaphors.

This company is interpreted as having a very high adoption of the company story combined with a promotion focus insofar as throughout the storytelling the present owner refers to how the past is made use of in novel ways. Barley is interpreted as being very entrepreneurial, innovative and proactive (cf. Lumpkin and Dess, 1996) on a saturated market, at the same time as the history plays an important role in its present strategies. Barley is therefore categorized as a company with a strategy formation of renewal of the family history.

Case Ferryman

In Case Ferryman, a property, offshore and shipping business, the company is described by the owner as “independent businessmen from 1800 and on.” The firm’s storytelling is seemingly fully in line with the firm’s present and future advancement and accomplishment and present daily business.

    Researcher: Do these generations, father and grandfather, permeate the company today?

    Owner and CEO of Ferryman: Yes … I of course take great care standing by the those values because it is then one will create the myths around this; and I do so quite deliberately then.

    Just as in Barley, Ferryman refers to codified values (various written and oral traditions, including biographies). The White Bible is a collection of company values that the owner has spent fifteen years developing; it is published annually and has been printed in four editions. Even though the owner states that the book is not that operative
he immediately adds that *everybody comes back to it*. Ferryman is a company that has changed the direction of the business operations during the different generations; however, even so, it is keen on making use of as much as possible from previous generations. We therefore classify Ferryman as a company in category 2 where the adoption of the history is high with a high entrepreneurial orientation in its attitude towards risk taking, innovativeness and proactiveness in new businesses (cf. Lumpkin and Dess, 1996).

Five cases were categorized into typology 2: Bading, Barley, Ferryman, Neo and Squirrel.

**Typology 3: Strategy formation through remembrance (low adoption, prevention-focused)**

In the typology 3 firms, we could discern a link between the owners’ emotional ties to history and ownership but there is a lack of willingness to reproduce history in strategy.

*Case Clamps*

In the Clamps case, a producer of commercial and passenger vehicle assessors and products, the owner seems to have shunned the company history and now opts for negative representations of ownership:

Researcher: If you were to describe your feelings towards Clamps today, what would you say?

Business owner: Well … I do not know what I would say … but, in some sense … with … as I said before, if I got a good offer I would sell it immediately … That says a lot, right? … I have something in my knee that I can’t get rid of.

The owner’s storytelling about ownership and family business does not recognize historical roots and family business as something potentially interesting to customers. Heritage and family are described as having no effect whatsoever on daily business or on the company’s present governance:
Business owner and chairman of the board: … it does not sell […] of course it is interesting that we are from 1914 and that our great grandfather started it and so on but we do not sell anything because of that, that comes only after we have said that we have production in Lithuania or that we are certified […] they do not care whether our tradition is nice … they buy where it is cheap.

In the owner’s storytelling, the past and the future are consistently represented in two distinct “worlds.” This would mean that the owner does not make use of the company history in the present strategy formation even if we discern some emotional bonding to the firm – it is a bonding that has turned into a burden and not a potential source of firm advancement and strategy formation. The firm storytelling is reinforced out of duty and not because of its inherent value. This firm is interpreted as having a low adoption and a prevention focus in general and a low prevention focus in regard to the history in general. We have therefore classified Clamps in typology 3, strategy formation through remembrance, where the adoption is low and the prevention focus high.

Case Lumen

Lumen is a manufacturer of machinery and equipment and its owner and board member claims that:

I believe that I am a typical representative of … how owners feel, one is attached to one’s business, also emotionally, but I have colleagues who have been even stronger attached to their family business […] And … so, it goes on, one spends one’s childhood in the company, takes over the activities and then it goes out of control. […] And this strong attachment I do not believe that I have […] it has crossed my mind to sell the company.

This indicates that the adoption of the family history is not as strong as in many other family firms. To the owner, the firm ultimately serves a different purpose, that of keeping the family together:

But she [daughter] is interested, she has also via education become much more engaged and interested and she is, perhaps even more than I, anxious about the family and that the family relationship should work and that everybody is in a good mood, and, just as I, sees this as a fantastic opportunity to keep the family together. The creation of the common interest, I believe. One of course meets during the big weekends, but now
there is more substance in it … one has a project together which is fascinating and we are at this initial stage, where it joins and keeps the family together. (Owner and board member)

Here, the firm’s story is not explicitly adopted into present or future strategies. The history exists and it is an important memory; however, it is not made use of in the present strategies of the firm.

In typology 3, we placed five cases: Baldrick, Boatie Clamps, Chink and Lumen.

**Typology 4: Strategy formation through rhetoric (low adoption, promotion-focused)**

In this typology the family business owner has a low adoption of the family firm history but the parts of the family story s/he does make use of are in line with owner inclinations and are seen as congruent with owner strategy aspirations and decision making.

*Case Walker*

Walker, a medium-sized manufacturer of footwear, is placed in this category where the present CEO is the fifth generation. Walker’s owner seemingly identifies with his noble roots and his “business heritage,” “… we are mining people and merchants,” and vividly tells his company story. However, the family business story is not explicitly and consistently linked to the daily activities and strategic formation in the firm.

Nevertheless, Walker does make use of the fact that the business is run in the fifth and sixth generations on the website:

Walker builds on quality and 170 years of tradition.

Even if we found several family firms that make use of their website to declare that they are in fact a family business and from this follows quality, reliability and the like, Walker differs in the sense that the only way that the history comes through in the strategy formations is in the marketing rhetoric. We analyze this as an entrepreneurial
move and therefore interpret Walker as having a promotion focus. Its history is however not dynamically integrated to a high degree with daily activities and the organization. We therefore classify Walker as a company with a low degree of adoption, albeit with a high promotion focus.

Case Softwares

This also goes for other typology 4 owners who find the function of storytelling to be important, without necessarily turning it into a core driver of firm strategies. This can be found in Softwares, where the founder and CEO finds history to be important in a rhetorical way:

I am brilliant in my role as President and CEO and founder of [Softwares]. But only as an actor [conveying the family story].

This is combined with a promotion focus, which is important from a genealogical point of view, in the sense that the owner finds succession issues to be relevant:

[The] things that we deal with here is to be able to carry these activities forward […] we have of course a lot of entrepreneurship going on and to carry forward our entrepreneurial creation […] me and my colleagues have created to J and M [his two sons]. (Owner and president of Softwares)

However, typically the firm story is not dynamically integrated with daily activities and the organization. Softwares is therefore categorized in typology 4 where strategies are formed through rhetoric of the family history.

Four cases were placed in typology 4: Fourm, Gasket, Softwares and Walker.

CONCLUSIONS AND IMPLICATIONS

In this paper we set out to understand the role of storytelling and how this is mirrored in present strategy formation. All the owner stories are strikingly uniform in the way they are told when it comes to the story of hardships and how the founder was able to find a viable business idea. However, they differ in what the storytellers choose to put forward and also in how much emphasis they put on the firm history and the degree to which the
history is “present in the present”. Relying on psychological theories we were able to form four typologies with the dimensions of adoption of the family business story combined with a prevention or promotion focus: strategy formation through reinforcement, renewal, remembrance or rhetoric. Our analysis shows that there is a seemingly even distribution of the twenty cases into the four typologies. We have shown that identification and emotional bonding with the firm may explain that the history informs how the family business owners choose to tell their family business history and to what degree, consciously or unconsciously, they let it have an effect on their strategy formation. What has evolved in our cases it that the firm’s history, which harbors the firm’s stored values, norms and culture, is as dynamic source for owners’ and founders’ storytelling alike, and because storytelling is intimately linked to the storyteller’s identity and history, the firm’s history is repeatedly created and recreated in a relational way to the day-to-day business. Here history is something highly performative and is linked to the storyteller’s self-making.

The results of this study can be linked to Kelly et al.’s (2000) conceptual paper on founder centrality and its implications for strategic management. The authors claim that founders who have an external orientation are able to meet with a fast changing environment through their prospector strategy. The family businesses in our study that are promotion focused would through their entrepreneurial attitude be likely to perform better in a dynamic milieu (strategy formation through renewal and rhetoric). The same parallel may be drawn to Kelly et al.’s reasoning about families that through their close relationships defend a status quo in their strategic posture. Our cases in typologies 1 and 3 (strategy formation through reinforcement and remembrance) may be pursuing such a defender strategy. However, while Kelly and colleagues argue that such centrality is to be traced back to the founder (founder centrality or founder legacy centrality), we argue that this is not only the case here. In the typology of strategy formation through
reinforcement this may be true, however in all other three typologies, the founder centrality is complemented with the owner1 centrality. In our empirical study and through their storytelling, we can sense that family business owners in the promotion-focused typologies (renewal and rhetoric), in a more general sense, give voice to psychological ownership where the business is “their baby”: it is a place they have created and they have taken over the baton from the previous generation/s in order to improve the business. They balance with their family business legacy and their urge to form strategies sprung from their openness and willingness to change. Thus, the culture of the family firm also includes the owner’s values and norms, not only these of the /deceased/ founder. The stories of these owners become extended, adding to them their own aspirations.

These findings about the role of the owner centrality are in line with recent results of Brundin et al.’s, (2010) study on innovativeness and autonomy among family businesses, where they claim that the owner is the central figure for the company culture. In these cases where the owner is also the founder, the two concepts overlap; however, in our study we have family firms in the second and later generations that illustrate such owner centrality.

Our results have implications for our view on strategic change in family firms. Many researchers view family firms as inert and path-dependent, not inclined to strategic change, holding on to the visions and mission of the founder. So for instance, Miller, Steier and Le Breton Miller (2003) claim that successions tend to fail because of an unfitting connection between the organization’s past and present. Here, we have shown that family business owners in the typologies of a promotion focus are open to change where they take into account their version of the family firm history. There seems to be a duality of forces with a respect for the past as well as a desire for the

1 In a juridical meaning of the word
future including longevity and continuity. The more promotion-oriented the family business owners are, the more open they are to make use of their past in present strategy formation. They seem less likely to be a victim of path dependency, rather they are aware of the call for change. The view to have a promotion focus towards history is in line with Brunninge’s (2009) work, where strategic managers construct and make use of the company history in order to claim continuity in critical strategic change situations. Such claims on the past legitimize a major change in the short run. Prevention-oriented family business owners are, on the other hand, more likely to have a deterministic attitude towards the past. In the family business literature there is a tendency of a dichotomous debate between researchers who claim that family businesses are resistant to change, whereas another stream of researchers argue that they are entrepreneurial and therefore are able to survive over generations. From our study, storytelling has shown that we see the need to view family firms, like all other businesses, as heterogeneous when it comes to strategic change.

The results from our study indicate that storytelling may be seen as a competitive advantage in the family firm. According to Le Breton-Miller and Miller (2006), the specificities of the family firm such as concentrated ownership, lengthy tenures and profound business expertise render them special resources and capabilities to invest in the future. Eventually, these resources add up to tacit knowledge and are hard to imitate and therefore become a competitive advantage. The family stories of our study entail clues and hints that may give important keys for strategy formation. In line with this reasoning, we dare to conclude that the narrative of the family business story may likewise be part of tacit knowledge and a competitive advantage for family firms. Such tacit knowledge would be particularly important in succession processes where values that can help the next generation may otherwise be lost. Further, even if history and storytelling are presumably also important in non-family firms for the overall
strategy formation (cf. Brunninge, 2009), our results show that strategy formation
coupled to the firm’s history is interwoven with the family’s history to a high degree.
Strategy formation in family firms becomes a complex affair with possible
contradictory interests between the family and the firm. Storytelling may ease such
clashes and open up for a solution.

Most stories in our study follow a similar pattern in content and structure,
regardless of size, life-cycle, industry and age and regardless of typology for preferred
strategy formation. These similarities tend to make up an institutionalized family
business story (cf. Melin and Nordqvist, 2007). History is not only represented by actors
in their storytelling of the past but also by the present in presentation material such as
booklets, brochures, web sites, pictures and statues. This indicates that material
practices may be as important as oral storytelling (cf. Molloy and Whittington, 2005).
Here we draw the conclusion that storytelling mirrored in strategy formation has
implications on the institutional level. Family businesses have become an
institutionalized type of organization (Melin and Nordqvist, 2007) through e.g. family
business networks, family business conferences, family business advisors, special
professional and academic journals and the like. It is not farfetched to assume that some
family business owners, especially those who unreflectively make use of their family
history as rhetoric in their strategy formation, are “victims” of this institutionalization
process. At the same time, they are taking active part of this construction.

For family business owners this study has implications as well. Some of the
owners of this study told their story for the first time – or it had been quite a while since
they had told it in the way that we encouraged them tell it. The owners’ storytelling was
emotionally loaded, and it was at times hard to continue the account. In that way, the
storytelling eased a sense-making process that they had not asked for, but that was
received in a positive way by most family business owners. In one of our cases, Clamps,
the dark side of the attachment to the firm was made clear where the owner felt left behind with something in his knee that he did not wish for. The storytelling made it possible for the owners to become aware of and realize how much impact the past actually had on the present. The family firm history, as presented by the informers, is a way to relate to the present and the future, making sense of, and justifying strategic choices.

Future research

Theoretically, this paper lays the foundations for the testing of hypotheses with its strong empirical basis on within and across cases analyses (cf. Eisenhardt, 1989). Only speculatively can we elaborate on the role of generation, age, size and the like of the family firm stories that were told here. Quantitative studies can operationalize the dimensions of adoption and the prevention and promotion focus through measurements such as founder or inheritor, numbers of years in the business, generation, the size of the shares, family of origin family or attachment, and personal investments. Further, the role of size, age and industry of the family firm should be included.

Future research should include additional family business members and let them interact. In that way, different versions of stories may open up for collective memories and also for contradictory forms of typologies. Such collective memories can be especially useful in family businesses with conflicting ideas regarding the present strategy formation, or in succession processes, where such collective memories can lead to a shared understanding and collective learning. Further, since we are focusing on owners in a juridical sense, who all possess executive functions in our study, it would be of particular interest to see how owner centrality makes other people in the organization dependent upon owner narratives and how these people, perhaps forming their own storytelling translate owners’ will into the strategy formation of their own (cf. Kelly et al.’s (2000) study on founder centrality).
We have emphasized the importance of culture in this paper. This aspect can be addressed more in depth in future studies where the four typologies are linked also to the company culture with its norms and values.

Stories are sometimes linked to the concept of myths, that is when “a sacred narrative explaining how the world and man came to be in their present form” (Dundes, ed., 1984, p.1). In this study we have not taken a particular interest in when and how stories about the past evolve into sacrosanct narratives. This is a venue that opens up for future research.

REFERENCES


Dittmar, H. (1992). *The social psychology of material possessions: to have is to be*. New York: St. martin’s Press.


Figure 1. Four different ways of strategy formation, sprung from storytelling.
Table 1. Examples of rating for adoption

<table>
<thead>
<tr>
<th>Degree</th>
<th>Adoption. Typical attitude throughout the storytelling</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The family business owner tells the family history in a rather mechanical way, without references to the present. There are no typical expressions about important and living norms and values. It is regarded as a family firm and has a long story but the company is said to have been run in quite a different way from how it is run today. The history does not affect the owner much.</td>
</tr>
<tr>
<td>2</td>
<td>The family business owner tells the family history in an emotional way, but with few references to how the past informs the present way of governing the firm. The storyteller is attached to the family firm history; however, he/she does not link it to the present way of running the firm.</td>
</tr>
<tr>
<td>3</td>
<td>The family business owner tells the family history in an emotional way with some references to how the present government of the firm is informed by the past. The family firm history has left behind it some values and norms that are of importance to the present strategy formation.</td>
</tr>
<tr>
<td>4</td>
<td>The family business owner tells the family history showing a strong emotional attachment to the firm and with a set of references to how it informs the present way of governing the firm. The attitude is that the firm benefits from the past.</td>
</tr>
<tr>
<td>5</td>
<td>The family business owner tells the family story with a strong emotional attachment to the firm and with many examples of how the past is mirrored in the present way of governing the firm. The owner is convinced that the past helps in the present governance of the firm.</td>
</tr>
</tbody>
</table>
Table 2. Examples of classifying promotion and prevention foci

<table>
<thead>
<tr>
<th>Prevention focus</th>
<th>Promotion focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>The family business owner does not make use of the history at all in his/her strategy formation, <em>or</em></td>
<td>The family business owner realizes the benefits of making use of past strategies in the present situation, <em>or</em></td>
</tr>
<tr>
<td>The family business owner makes use of the history in his/her strategy formation where strategies are informed by feelings of duties and obligations to the previous generation and the attitude of the family business owner is to try to preserve as many as possible of the norms and values of the past.</td>
<td>The family business owner actively makes use of the past in a novel way, is willing to take calculated risks and is proactive and innovative. Such a family business is interested in advancement and interpreted as entrepreneurial – and at the same time honours the past as part of the present.</td>
</tr>
</tbody>
</table>
Appendix 1 (table 3). Background information about the family business cases

<table>
<thead>
<tr>
<th>Gen.</th>
<th>Position</th>
<th>Firm Size</th>
<th>Industry¹</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aroma</td>
<td>4th Board Chairperson</td>
<td>Medium</td>
<td>Manufacture of food products and beverages</td>
<td>Male</td>
</tr>
<tr>
<td>Bading</td>
<td>1st &amp; 2nd Board Chairperson &amp; Controller/Board Member</td>
<td>Large</td>
<td>Manufacture of chemicals</td>
<td>Male Male</td>
</tr>
<tr>
<td>Baldrick</td>
<td>2nd Board Chairperson</td>
<td>Medium</td>
<td>Retail sale of motor vehicles</td>
<td>Male</td>
</tr>
<tr>
<td>Barley</td>
<td>2nd CEO/Board Member</td>
<td>Large</td>
<td>Manufacture of food products and beverages</td>
<td>Male</td>
</tr>
<tr>
<td>Barrow</td>
<td>1st Board Member</td>
<td>Large</td>
<td>Manufacture of transport equipment</td>
<td>Male</td>
</tr>
<tr>
<td>Boatie</td>
<td>1st CEO/Board Member</td>
<td>Large</td>
<td>Mining and quarrying of energy-producing materials</td>
<td>Male</td>
</tr>
<tr>
<td>Book-worms</td>
<td>2nd Board Members (2)</td>
<td>Medium</td>
<td>Publishing of books</td>
<td>Females</td>
</tr>
<tr>
<td>Chink</td>
<td>2nd CEO/Board Member</td>
<td>Large</td>
<td>Manufacture of builders’ carpentry and joinery of metal</td>
<td>Female</td>
</tr>
<tr>
<td>Clamps</td>
<td>3rd Board Chairperson</td>
<td>Small</td>
<td>Manufacture of transport equipment</td>
<td>Male</td>
</tr>
<tr>
<td>DIY</td>
<td>1st Director/Board Member</td>
<td>Large</td>
<td>Retail sale of furniture</td>
<td>Male</td>
</tr>
<tr>
<td>Ferry-man</td>
<td>3rd CEO/Board Member</td>
<td>Large</td>
<td>Transport; Real estate (holding company)</td>
<td>Male</td>
</tr>
<tr>
<td>Forum</td>
<td>1st Board Chairperson</td>
<td>Large</td>
<td>Manufacturing (holding company)</td>
<td>Male</td>
</tr>
<tr>
<td>Gasket</td>
<td>2nd CEO/Board Member</td>
<td>Medium</td>
<td>Retail sale of motor vehicles</td>
<td>Male</td>
</tr>
<tr>
<td>Lumen</td>
<td>1st Board Member</td>
<td>Medium</td>
<td>Manufacture of machinery and equipment</td>
<td>Male</td>
</tr>
<tr>
<td>Neo</td>
<td>1st Board Chairperson</td>
<td>Large</td>
<td>Manufacture of machinery and equipment</td>
<td>Male</td>
</tr>
<tr>
<td>Pomme</td>
<td>4th Technical Manager/Board Member &amp; PR and Design Manager</td>
<td>Medium</td>
<td>Manufacture of food products and beverages</td>
<td>Male Female</td>
</tr>
<tr>
<td>Publi</td>
<td>5th General Manager (one of four)/Board Member</td>
<td>Large</td>
<td>Publishing of journals and periodicals</td>
<td>Female</td>
</tr>
<tr>
<td>Softwares</td>
<td>1st CEO/Board Member</td>
<td>Large</td>
<td>Software consultancy and supply</td>
<td>Male</td>
</tr>
<tr>
<td>Squirrel</td>
<td>2nd Project Manager/Deputy Board Chairperson</td>
<td>Large</td>
<td>Wholesale and retail trade</td>
<td>Female</td>
</tr>
<tr>
<td>Walker</td>
<td>5th CEO/Board Member</td>
<td>Medium</td>
<td>Manufacture of footwear</td>
<td>Male</td>
</tr>
</tbody>
</table>

¹ SNI Swedish Standard Industrial Classification 2002