

Understanding the Value Logics of Family Business—A Structured Literature Review

Ren Daiteng, Lecturer

*Ren Daiteng, Lecturer in Strategy management, Family business studies, Ningbo University of Finance and Economics, Ningbo, China.
Correspondence author: Ren Daiteng; rendaiteng@nbufe.edu.cn*

Objectives: Business model is being understood as the value logic in value proposition, capture, exchange, and creation. Family business model is different from non-family business according to its specific identity and characteristics. Because of this, family firms propose value through offering job opportunities prior to their family members, focusing more on establishing stable relationship with their stakeholders, working to realize sustainable development with local community and environment and aiming at achieving long-term orientation goals. This research applied a structured literature review adopting 84 papers to elaborate family logic and connected with family business model. By summarizing the previous papers, we firstly bring family business strategy with business model perspective, identify different patterns of family business models, and explore the interrelationships among the 4 value logics. It contributes to family business research by identifying specific family business model based on value logic lens. It also contributes to business model research by applying value logic lens into family business context.

Key words: family business model; value logics; family business goals; long run orientation

Tob Regul Sci.™ 2021;7(6): 5427-5439

DOI: doi.org/10.18001/TRS.7.6.33

INTRODUCTION

This research is to distinguish a specialised family business model under value logic's perspective. It seeks to find out a particular organizational value logic for family business¹. Value logic could be referred to as a logic of value proposition for customers through products or services, value creation in achieving economic goals and growth, value exchange among stakeholders and value capture due to the profit earnings patterns². Previous research argued business model at a relatively general level focusing on how it motivated the firm achieving their economic goals. However, family businesses are somehow different, however family firms may

be different, as some of them give priority to family goals such as enlarging the family, offering the job opportunities, treating employees as part of their family. In this case, family business is not only business, but also business plus family. The dual characteristics influence the way how they achieve goals, both commercial goals and family goals. For studies refer to family business so far, family business identity is discussed as ownership, management, succession intention, generational participation, and perceived identity³. It leads to family business' strategic behavior influenced by family ownership, family business strategy and innovation and familism which influences decision-making strategy in investment.

Some research argue that family business are really more responsible and they even pollute less due to their perceived characteristics⁴. The reasons might be family business are mainly aimed at long-term orientation, they would expect the business could be continuously passed to the next generations, that's why they particularly focus on maintain good and stable stakeholder relationships and contributing to environmental protection. Family firms pay attention to their family reputations, and the relation to the community is an important part of that reputation. Within family business, employees are more emotional connected which affect the way how they deal the relationship with stakeholders. They value their reputation and aim at future long run development. Family firms normally establish long term and stable relationship with their customers and suppliers, they built on trust and work well with each other during their corporation. Refer to their employees, the turnover rate in the company is relatively low and they are more eager to stay in the firm instead of working in a non-family firm. Besides rapid expansion and growth, they care more about how they take care of their employees as well as the firms' steady development.

Moreover, some research argue family business under institutional logics perspective⁵ relationship between institutional logic and family business performance, family governance and institutions. Institutions in family firms are normally rules and regulations set by the funding family that embed with family culture and the founders' personality. They are with strong family flavor and somehow guide the employees' actions and behaviors. Rather, there exists the possibilities for the firm's diverse development, succession is no longer the only way of running a company. In terms of family business, they work under a specific family business model along with the family logic.⁶

In my research, we are exploring whether there are specific features of value logics when firms are owned and led by the family. We then explore how these family-based value logics may lead to specific business model. We are seeking to develop a family business model, build a systematic framework of integrating the value logics with family business model. The key research question is: what specific features of value logics are shaped by the family managed

firms and how does this affect the business model under value logics lens.

My research is based on the summary and analysis of 84 most relevant papers. It is a structured literature review paper by connecting business model and family business under value logic lens. My contribution is to identify key components typically for a family business model and explain how these value logics would support the family business' better development.

KEY INSIGHT OF THE RESEARCH

Business Model Concepts

Business models are continuously being discussed based on different perspectives. Definitions, understandings and interpretation of business model have been constructed and reconstructed over the decades. A general argument addresses that business model is the way how the firm works to create value to its stakeholders⁷. It is the way a firm operates to reach the target of economic growth and development. There is a similar idea raised that a business model is the way how it helps the company to realize its goals in both commercial and non-commercial ways. In family firms, they do have their family goals as well as business goals. This argument appears to connect business model with value logics concepts emphasizing the value proposition and delivering to their stakeholders⁸. These ideas emphasized the importance of business models as a strong support to achieve the firms' financial goals such as profits, market share and firms' blossom. Yet as the time goes on, business model concept has been transformed from description of how a firm work to optimize the daily operation by configuration of business activities⁹. Moreover, the business model reflects to what extent the company could achieve its value in a strategic way.

It means business managers are sensible to business model design and innovation and should also be able to interpret the working orientation and future development direction clearly¹⁰. The business model to some extent can be considered at a mental perspective such as belief or cognitive consensus held by the employees in the firm. Business members are more efficient to work with strong agreement and high identification of business model especially when compared with

them who work under high pressure by “cold” rules and regulations, such as family’s shared beliefs, practice, and norms. Additionally, business model recently concern more about the firm’s competitive advantage, they focus on investment return and economic value created. When compared with the traditional business model, modern business models concentrate on the innovation and evolution approaches instead of product and service development. Especially when business model emerged with high-technology and internationalization, organizations would have to reconsider and reprofiling their approaches by adjusting the strategy of new opportunities and challenges.

Family Business

In the family business context, family business model is distinctive from non-family business because it is generally under one family’s ownership and leadership.

Family business definition

According to the previous research, the intense discussion of family business definition shows to reach an agreement of the definition is not easy, since every family business is inhomogeneous. The reasons are they differ from attributes including ownership structure, family member proportion, multi-generational participation and succession, family business development and expansion and so on. However, there are two general accepted definition of family business. One is the most significant difference between family and non-family firms is the family’s impacts and functions on a family business’ behaviors¹¹. That means family plays the leading role in the firm and making core decisions. The other definition is more than 50% of the shares are owned by a single family and family owners are intended to transfer their business to the next generation. In this research, the second definition will be applied.

Continue with this theme, family business could be categorized into weak or strong family owned and family owned and managed. In order to achieve the goal, family reputation is employed to show the family position and participation. As a consequence, family members care more about the family reputation which refer to socio-emotional wealth, as they are much active and positive than

non-family members in this respect. The socioemotional wealth objective is an essential component of the family business, this goal offers the sentimental value for family members working within the business¹². Family members are also very proud of themselves being part of the family and being priority treated from non-family members. When considering socio-emotional wealth perspective¹³, family members eager to protect and maintain family business’ reputation and sustainable development based on the family relations¹⁴.

Organizational Value Logics of Family Business

Business model is an organization's core logic for value. When value logics concepts embedding into business model, physically they related to product and service development, market expansion proposal, resources allocation, stakeholder interest and so on. For example, family business is funded and owned by a leading family, which determines the way how it captures value and sets the goal achievement. As a result, the way how it creates value is rest with family’s strategy development, family governance and decision making. Family business proposes its value by developing sustainable products and service to the customers and by providing job opportunities to family members. Properly dealing with the relationship between family and family business stakeholders refers to value exchange aspect, since it is not pure employment relationship but also build on kinship. Value proposition is the start point, it mainly refers to customers at the demand side, in other words, to solve customer’s problems through products and service development. By extending the concept, value proposition could also be involved in social, environmental, and commercial principle besides sharing value proposition with stakeholders¹⁵. Every company all shaped by logics of value proposing, creating, exchanging and capturing but due to their particular identity and institutions¹⁶. Rather, value refers to the organizations could be in economic or non-economic perspectives.

Family-first business perspective

A family business is influenced by a group of logics dominated by both commercial logic and family logic. Family existed to support, develop,

and sustain family business. Commercial logic is being referred to economic perspective. The main characteristics of the family business are: blood relationship, marriage relationship, loyalty and trusts, family reputation and social status which made family business even more special from the non-family companies. Family business would somehow pay attention to non-commercial aims such as soft outcomes. They would rather emphasize stronger family flavor and pursuing emotional profitability. At the beginning stage of family business, when standing on the perspectives of family member numbers as the criteria of defining a family business, family involvement will be determined. As there will be more family members involved in family business when compared with non-family members, which will lead to the result of family centric rather than business-centric. The predominance for

socioemotional necessities makes family business hesitant to make the governance professionalize and would prefer its successions towards relatives. If the family business is motivated by family logic but not commercial one, it might be difficult to result in efficient and independent business leadership¹⁷, on the other hand would energize commitment on family members towards capability.

Thus, family, and commercial logic can vary according to difference backgrounds. In some areas, family logics led business may make decision making according to the socio-economic wealth prioritie¹⁸. Therefore, family involvement might be decided by social society. Besides institutional logics, the mainstream ideas of it are family logic and shareholder logics when related to family business. See table 1

Table 1		
Family-first Business and Family Logic		
Family-first business		
Start-up basis	Family-fund business	
Blood relationship		
Marriage relationship		
Loyalty and trust	Family ownership	Family leadership
Family reputation		
Social status		

Family ownership perspective

Ownership can include both affective and cognitive dimensions. Ownership logic is generated as juridical ownership and financial ownership. Juridical ownership is the theoretical part of family ownership logic. Shareholder logic is more in short term period and concentrate on the economic outcomes¹⁹ by evaluating and implicating the values. Research find out that shareholder logic stands on the financial perspectives of the business. Recently, the governance standard is emerged by shareholder value logic on the basis of financial perception.

However, within the family business context, ownership logic is dominated. In general, family businesses are governed by a deep and special attachment²⁰. Working in the family business, employe

es especially the family members feel strong emotional ties and connections to the family and sense of belongings, it invisibly becomes one of the elements of the family ownership logic. Such a strong identification with the firm may make family members unwilling to depart from or sell the firm. At times, such identification may become burdensome, leading to feelings of guilt for leaving the family firm or feelings of guilt for staying on. Similarly, family business owners are often dense, genuine and unique along with their strong and unconditional commitment to the family business²¹. It will lead the family members not eager to leave their business and even make the business under new ownership. Rather in non-family business, such concerns are almost not existed. Additionally, in terms of the family business members, their goal is not only

maximizing the firm’s economic value but also maintain the institutional work. Employees from the family are unconsciously paying more attention to non-commercial goals rather than commercial ones. For instance, they are proud of being part of the business built up by the family, they are not only family members but also the owner of the business which will make them feel different. The results of the family ownership could date back to family identification, sense of kinship obligation, social fulfilment and wellbeing. They run or develop a business nor only for economic reasons but more for social identity and impact, not only for founders themselves but for next generations. Ownership of a family business determines the powerful emotional connections with the company.

Family governance perspective

While family governance logics arises due to family members who want to take part into the management decision-making process, when the core decisions have close relationship with their interests and preferences. In the family governance logic, family members when compared with non-family members are more welcome to be taken part into the process of decision making and suggestions, they raised might are more acceptable because they are even more closely related to the family business based on the kinship, interest, reputations and

sustainable development²². Hence, according to the family governance logic, they will pay special attention to the effectiveness of family members' participation in management. The aim of family governance is to establish a scalable, sustainable, and secure framework that help better deal with the relationship among family business, family members and family member’s wealth and interests.

Furthermore, it is argued that family values will be more concerned on social and environmental issues and long-term development because of its intention to succession. The research emphasized the value logic on family business would be essential for the integration of personal development, grown up of the family and its business expansion²³.

METHODOLOGY

Sampling

For a review paper, samples are very important, the papers selected are the foundations of making a good structured literature review. Referring to article sample selection, I did a broad search using key words and then excluded the irrelevant ones and narrowed down the paper number from 223 to 84. These 84 papers are most relevant to my research. See Table2.

Table 2	
Sample Selection Rationale	
Literature review paper preparation	
Article sample selection	Based on a search of Science direct with "family business" plus "value "plus “business model” including in titles, abstracts, and keywords on 10 of May,2021, there are 223 articles on the initial findings list. After reading the abstract and introduction, the number of selected papers then narrow down to 84. The reasons of excluding are:1) only mention business but not family business particularly; 2) only refer to family business but no connection with value logics; 3) only touched logics but are not associated with family business
Selection rationale	The selected articles are closely connected with family business and value logics, for instance, institutional logics, familism, family governance, family ownership logic and socio-economic wealth, are very relevant with the topic.

Analysis

To ensure the quality of a structured literature

review, one of the symbols could be to search possible key terms related to the research topic and bring together the syntactic structure. The systematic pathway is help to improve the review

quality using either a checklist or scale as a reference, identifying the uniformity of key item though a number of studies in the area.

Before comparing and analyzing data, researcher should concise each theme or category from original database. Meaning, developing a regulation or agreement of similarity of each theme with the addition of sampling data. The proposition of each theme should be compared based on reasonable relationship and possible consequence. During the process of coding and recoding, the themes will be even more concise. First round's coding might be concluded, retagged, or discard along with the coding process carrying forward. Second round' coding might include recategorizing and recoding due to new themes popping out. Abbott described the coding process as decorating a house start from design, move back, change little things, move back again, make big changes and even re-organizing²⁴. About categorizing, it is stated that the process is dealing with the data from origin to the shape and then summarize into a higher level. Corbin argued the responsibility of researchers is to show how themes relate to the theory evolution. Rather, there is no requirement of the qualitative research to develop the existing theory but have to admit the theory motives the initial of the whole research.

FINDINGS

The thematic analysis emerges distinguished feature of family business model along with the characteristics of value proposition, creation, exchange, and capture. The Figure 2 show the results of coding process, shedding light on first order concepts extracting from the topic-related journal articles. The second order theme is built upon the category summarizing and grouping from the original codes in terms of the similarities. The themes seek to find out the interrelationship among family business identities through market-oriented product and service development, family structure, daily operation and family governance, family kinship and network, family business goal and family funding. These themes are aggregated into four dimensions: value proposition, creation, exchange, and capture.

Thematic Analysis

Figure 1 illustrates how do the first order concepts connect with the 84 papers under value logics lens. As we figure out from the coding results, the phrases “family employees”, “family involvement”, “family value”, “family effect” are the most frequently mentioned phrases in the selected papers. The rest of each category discussed by the papers is relatively even. See Figure 1.

First order concept	Papers number
- New products - Process development	1.2.5.16.17.20.21.23.24.44.52.59.80.83.84
- Family employees - Family involvement	10.13.14.18.27.28.30.37.38.39.41.43.47.50.53.62.63.64.68.69.71.73.80
- Family value - Family influence - Family effect - Family identity	5.10.12.13.15.20.22.23.26.28.29.32.37.38.41.42.45.49.53.62.63.64.71.73.75.81
- Avoid risks - Help family business survive - Capability to maintain a high degree of flexibility	1.9.16.18.25.50.60.83
- Better corporate governance Family leadership - Family decision making	3.10.14.21.25.36.51.61.68.72.77.78
- Board structure and characteristic - Generational involvement	3.10.17.18.26.27.33.39.46.57.69.80.84
- Future generations - Kin and family - Family representative directors	3.9.10.13.15.22.23.40.42.50.53.77.78.79.81
- Family members receive preferential treatment - Family council as communication mechanism	5.9.10.13.15.23.37.40.58.72.76
- Institutional context - Institutional factors - Institutional ownership - Institutional transition	2.4.14.27.28.41.55.56.65.66.70.74
- Achieve growth & fairness - Sustainability - Both financial and non-financial goals	6.11.15.16.20.21.22.24.27.34.44.45.47.67.68.73.83
- Funding decisions - Family ownership shares - Strongly family owned	6.10.14.18.19.25.32.36.51.77.78.82.84
- Competitive advantages - Investment strategy - Family capital seeking	1.6.16.18.19.25.31.32.33.51.77.78.82.83.84

Figure 1. First order concept and related papers

Coding Process and Basic Findings

The family business model presented in Figure 2 starts from the “products and service development” as value proposition, Value creation focus on daily operation of “Stable strategic development encompassing multiple ownership goals” and “Perceived risk and attitudes toward personal risk” together with “family control” and “family ownership”. It dedicated how a family business make and adjust the strategy and how to deal with the uncertainty based on family structure and family governance. Within in value exchange, the key insight is the family network and stakeholder exchange accordance with “family involvement”, “family councils” and “corporate governance relations”. Referring to value capture, family business funding is the major financing mode: “use family loans” and “family loans as a source of finance”. Rather, the goal of family business is not only pure commercial goal but go deep into sustainability in family, social and environment. See Figure 2. When referring to first order concept, we connect back to the 84 papers. As we figure out, value proposition has the greatest number of papers. The reasons might be family business take family feature into considerations, for instance,

when they develop products, they not only think of their customers, but also embed familism into the firm. Family value, family influence, family effect and family identity make family business different from non-family firms. Related to value creation, from previous research, we find the management style are very strongly family oriented, thus, this determines the broad structure and characteristics. For some family firms, they already face the challenges of generational involvement, a certain number of papers mentioned the family governance based on succession perspective. For value exchange, more papers argue family tie, stakeholder relationships, as we can see, they also discuss institutional logic. Here we find within family business, institutions are normally information, such as culture, shared value and mission, there appears to be institutional ownership and institutional transition, which illustrate how dynamics of institutional work would shape business model under value logic lens. Related to value capture, papers show the goals and long run orientation of family business based on their strategy, funding and investment decisions and competitive advantages. See Figure 2.

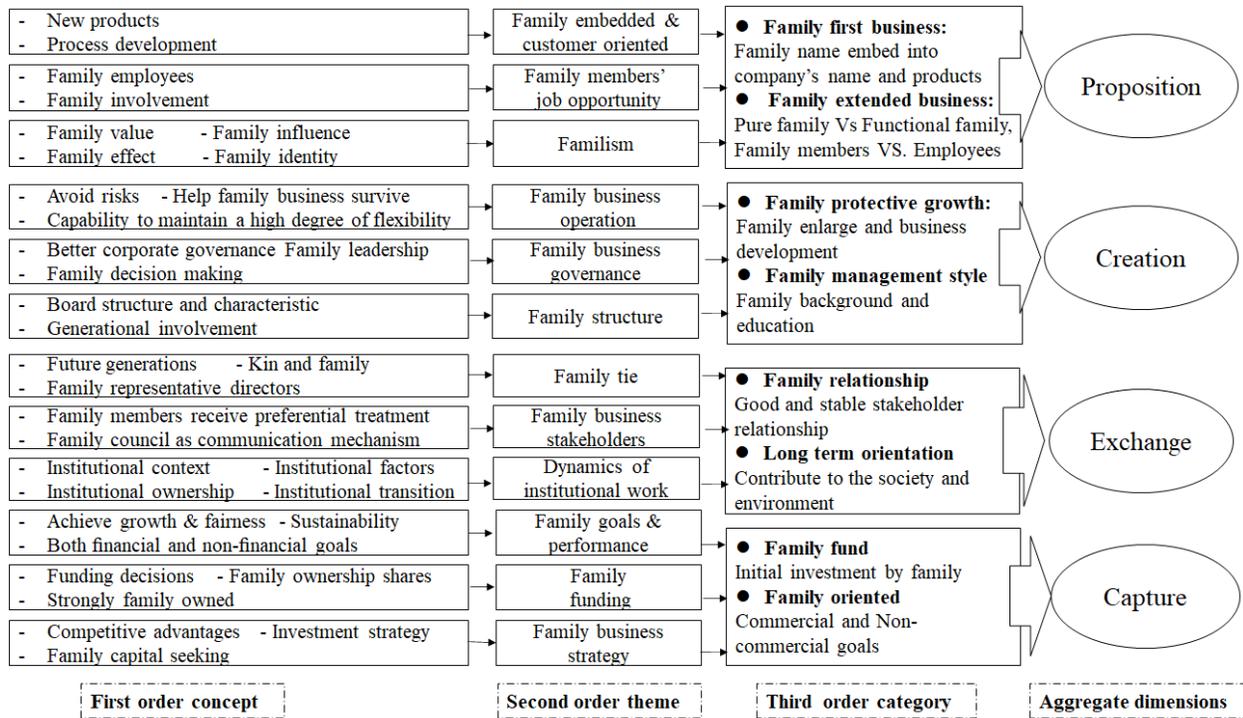


Figure 2. Coding process and basic findings

When referring to third order category, value proposition in family business could be divided into two parts: family first business through embedding family name into the company's name and its products. In this case, family and business are naturally combined. The other way is family extended business, here family business develops from pure family to functional family, family members are no longer built on kinship only but they also become colleagues or leader-member relations. Value creation emphasize more on family enlarge and business development. Family governance and management style are essential as it determines decision making strategy, board structure, daily operation and so on. Value exchange pays attentions to long run orientation through establishing good and stable relationship with stakeholders, for instance government, environment, local community, customers, suppliers, and even their competitors. They value their contribution to the society as well as the environment. They care about both family members and non-family members, especially when consider the dynamics of institutional work. Value capture illustrates the initial investment from the family. Normally the family firms are established by the funding family, therefore their goals

setting are not only focusing on commercial perspectives. Family goals and performance are equally important with the profit and revenue achievement or sometimes family goals are even more important.

Conceptual Framework Description

Based on Figure 3, we figure out Family business strategy and family governance are the central point of the conceptual framework. Family business model is mainly determined by strategy setting and family management style. These lead to different behaviors and actions the founding family might express. Because of the family business strategy and decision-making style, there appears to be four patterns of family business model. This conceptual framework shows how family business appears to experience four development stages under value logics lens: Family First Business, Family or Business, Family + Business and Business + Family. When family firms are at "Family First Business" stage, they offer job opportunities to their family members, they applied family name into company name or products name. By the way, because most of them are family fund at the beginning stage, they have their optimal goals of give priority to the funding

family as well as aiming at long term development. The joint point is how familism applied into family business strategy and how does it work to accelerate the family business model transformation. When family firms move to “Family or Business” stage, that means family firms have already entered stable development and started to realize the transformation of growth. They consider family identity, family governance as well as R&D innovation, they might plan to reposition themselves into both family and professional image. Family firms at “Family + Business” stage, meaning family dominant stage, they began to think about their funding and investment strategy and the relationships with stakeholders, bridging value capture and value exchange would help them better achieve sustainable development. Additionally, when family firms enter “Business + Family” stage, meaning business dominant family, they are relatively mature. They kept investing into R&D innovation and management style revolution. They also think of their contribution to the environment and society. In this way, family firms could connect back to their original intention of both family enlarge and business development, they expect their healthy and long run growth. These four patterns then become a cycle connecting family business models with varies chrematistics and features. Especially at different development stages family firms at the same level

of development would somehow shows the shared value and beliefs, this also could be discussed under value logics lens.

The aggregated dimensions among value proposition, value capture, value exchange and value creation are interrelated with each other. Value proposition and value capture argue that family business design and develop its products and services due to market orientation, meeting or even creating customers’ needs. Relate to value proposition and value exchange, it discussed the network with stakeholders for instance family members, employees, suppliers but more concentrated on customers. When combing value proposition with value creation, it emphasized on family business is family led and owned, which leads to family governance and decision making. Emerging value exchange with value capture, family members are embedded and deeply involved in family business operation, the family kinship and ties promote the information exchange and social relationship. Value creation and value capture argue the family funding as the main source of financing that ensure the family ownership as the primary feature of the family business, stating the impact from family ownership on business performance. Relatedly, value creation and value exchange focus on the family culture influence and difference between family-led business and non-family business. See Figure 3.

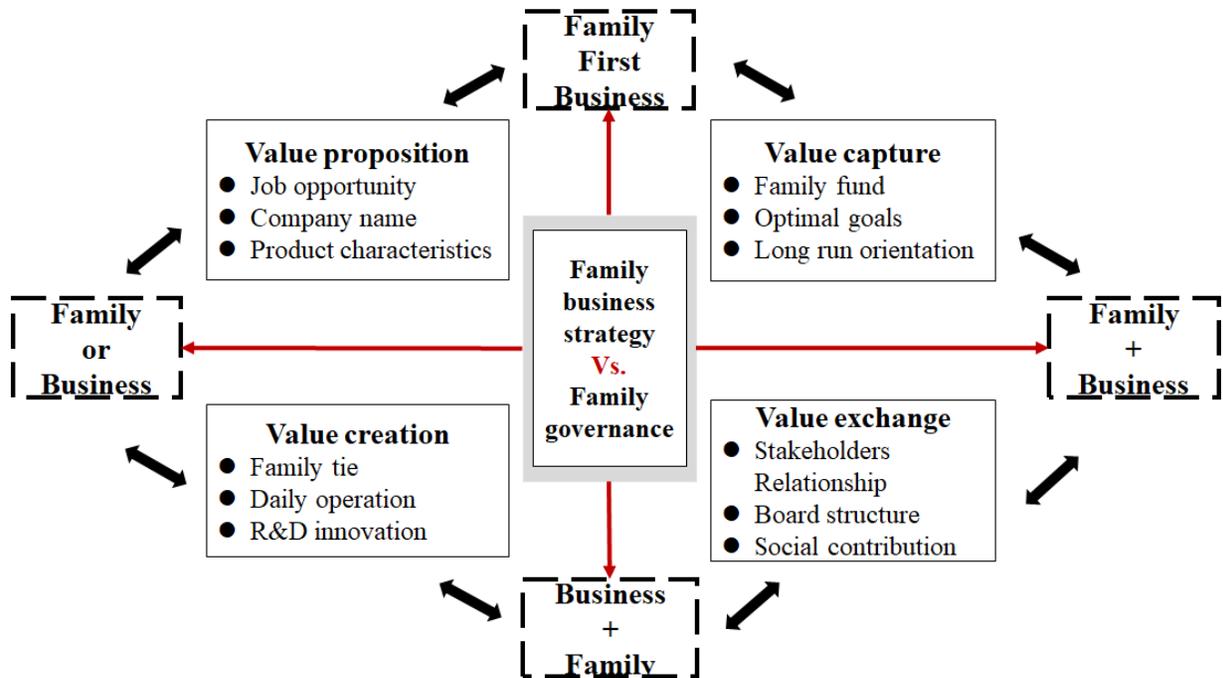


Figure 3. Conceptual framework

When compared to non-family business, family business has strong family gene which is endogenous implanted. There is no doubt family business has dual identity combining both family and business characteristics. Thus, family business pursues the goals on commercial and non-commercial perspective. Socio-emotional wealth might be the essential reason for family firms to achieve family dominant business or business dominant business. This tension happens because during different stages of firms’ development, they do have a focus on each specific stage, firm at relatively young age, they work to survive and stabilize the family, however when firms at relatively mature age, things go differently. They care more about spiritual heritage, stable relationship with stakeholders and long-term orientation.

DISCUSSION

Value Logics of Family Business

Family businesses’ value logics are shaped both by a family logic and an economic logic. It is regarded as both ensuring status of the family and enlarge of the business. Family values associate with the social and environmental factors are essential to influence the sustainability. We find some

features in the family value logics that provide seeds for more sustainability-oriented business models. These seeds are the connection of the family, family reputation with key stakeholders such as community, suppliers, customers, fostering responsibility and stewardship in these relationships and shying away from more irresponsible practices due to potential catastrophic impact on reputation; and the more long-term orientation, looking for ways to create value that will be persistent in the long run and less concern with short term results. According to the above findings, family business model differs from non-family business model upon its characteristics. Under value logic lens analysis, we find out when proposed the products or service, family business pays more attention to encore customer, which emphasizes the sustainable development besides the economic growth. The sustainable development is not only referring to continuous enlarge of the family but to hence the potential of the family evergreen. It dates to the family funding for the initial financing approach that family business is family-owned and led. Therefore, family business is built upon blood relationship apart from the pure employment relationship. Family members take the advantage of family tie and which influence the relationship among family business stakeholders. When family

business is under family governance, it would lead to the disparate of decision making and daily operation. Surely, family business will preferential the family goal and growth of sustainability beyond the pure commercial goals.

In general, a majority of family business are surrounded by family members as normally they are the founders, however there are still numbers of employees who do not have the kinship with the family but working within the family business. These employees are sometimes burdened with expectations to be loyal and honest to the family and family business. Some research argue that family business is built on high trust and dependence. Such trusting relationship much differ from pure employ-employee's relations in non-family business²⁵. Family members are usually with strong identify of the family business when compared with non-family business or non-family members working in family business. Depending on relationship between employees ad family business, there is a concern that family owners may prioritize their own interest or benefits but get rid of non-family members' tendency when doing decision making. The reason is family business is mostly commanded by informal fundamental norms and regulations instead of interest logic and contractual liability under normal conditions, it leads to the disparity treatment between family members and non-family members. Family members eventually take advantage of information delivering because they are generally the information conductor. Similar view raised that family members may intentionally control and limit the number of non-family members join in the senior management level, since they are anxious about their positions might be challenged by others²⁶. Family members as the senior managers are the main force who decided the way how business works and are the person who led the strategic direction to the long-term development. Relatedly, within family business' contracts, members may priority the spiritual value joint with the family social network rather than the economic value derived from the daily operation.

Family Logic Dominant Business

Previous research subscribes that in accordance with the specific characteristic and culture of

family business, the employee structure of family business is different from non-family business. Because normally family members are involved in the family business especially at the foundation stage. The built-up and development of family business offer chances for extending kinship from blood ties up to the business level. In this case, family business would pursue strong intrinsic relationship among family members, along with the family reputation and stable performance of sustainability. We figure out some of the family business, they even priority the succession as the domain motivation of development and enlarge. Continuing with this theme, the management orientation is a long range pursue in family business rather than non-family business.

Since family logic is closely related to the participants who are from and are supposed to stay in the family for a long period, as a result, family logic would shape a business' regulations and governance. Family membership would be regarded as an identity due to the leadership of a patriarch; family members would have sense of agreement ascend to informal laws related to loyalty. The origins of the social regulations and standards are family values and there family institutions dominated²⁷, and the decision making of family business will be impacted by family members' socioemotional satisfaction. For instance, how family members revere patriarch, how family business work and design for next generations and how a family business is led and controlled are important issues. In this case, family members would be considered preferentially being included in the management team that have rights to control and manage the business. At the cognitive level, family members would experience strong sense of belongings in the family as well as in the family business. Refer to our findings, when family business members who have strong sense of personal identification, they would probably better integrate into the company culture and maximize their contribution at their positions. At the same time, it would be easier for them to understand and follow rules and regulations set by the firms. Professional self-identification makes family governance more efficiently and easier to manage.

A Tension between Family and Business

Family business owners would prioritize the interest to family members according to the socioemotional wealth consideration. Generally, they would make reservations of the top management positions to their children on the individual levels. Taking considerations of family culture, family relationship and features, family business would prioritize the decision makings and daily operation from family member's perspective. For example, preferential family logic, family leadership logic and family governance logic instead of the financial logic or commercial logic.

The preponderance and superiority of a family logic should be committed into the family-related positions which lead to the value logic. On the basis of family logic, it will lead to the possibility if a family-led and governed business would precede their family members as managers, at the same time would eager to be sustainable for family, family members and family business. Normally, such kind of the traits within a corporation would influence decision makings and the selection of organizational structures adopted²⁸. The mixture of logics can also give the guidance to corporations' behaviours and may also impact on the business model and performance.

More specifically, when there existed a family governance logic, family business would expected the supports mainly from family members' strategic decisions. From the socio-economic wealth perspective in family business, family business members are more in consistency in pursuing reputation, sustainability and economic value increasing due to a close relationship with the business, this gives the advantages of maximizing family business' value through better dealing with family governance logic. Thus, the advantages of family involvement are family members are care about the family's reputation and sustainable development which again be beneficial to social and economic wealth. Daniell and McCullough argued family members would rather get rid of the risk since they feel controlling risk is not easy. The reason could be family business members are more closely associated with the internal conditions and limits when compared with external ones. However, there are specific factors which would influence the risks, management style, ownership, succession, and financial outcomes. The tension between being family

dominant or business dominant is like a leverage, value logic is the supporting point, balancing the commercial goals and non-commercial objectives. Tension exists along with the development of family firms as well as their strategy setting.

CONCLUSION

This research seeks to understand family business model under value logics lens and define how family business are different in value proposition, capture, exchange, and creation. Through a structured literature review, I found family business normally starts up the business through family extension and they highly rely on kinship. They propose the value to their employees by offering job opportunities and propose value to their customers by developing high quality products and service. The stakeholders built up long-term relationship, they trust and support each other during the cooperation. Referring to the goals of family business, they aim at long term orientation because it is not only the success of the company but also the honor to the family. In order to achieve sustainable development, family business applied family governance, both family and professional team in their daily operation. This research contributes to identify key components typically for a family business model and explain how these value logics would support the family business' better development.

Author Declaration

This research is not funded by any organization related to tobacco production.

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