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RESILIENCE IN FAMILY FIRMS

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INTRODUCTION & SUMMARY

PURPOSE OF THE DISSERTATION. Nowadays, business organizations are, more than ever, exposed to environmental instability and uncertainty. They also experience the risk of disruptions with severe impact at a global level. Terrorism, financial crises, pandemic outbreaks are not only recent history, but have become current normality. With this outlook, the concept of resilience has been often evoked as key condition to overcome such negative situations. Especially in the ongoing Covid-19 crisis, the word resilience strongly characterises the intents of the European Union, which launched a “Recovery and Resilience Facility” as centrepiece of “NextGenerationEU”, a plan with the declared aim of making Europe “more resilient”, beyond just recovery (European Commission, *Recovery Plan for Europe*). The word has been adopted also in the Italian Government’s recovery plan named “Piano Nazionale di Ripresa e Resilienza”. Given that family firms constitute the backbone of the national economies worldwide, resilience becomes even more significant with respect to family business. Based on such premises, the aim of my thesis is to analyse the components of organizational resilience, investigating whether family firms hold specific advantages to achieve it, in order to propose a family firms’ resilience model.

CHAPTER 1. An overview of the construct of resilience is made, through a review of the literature about systems, individuals, and organizations. Resilient systems are characterized by the capacity to absorb disruptions and adapt. Resilient individuals achieve functional growth through positive adaptation. Resilient organizations experience continuous adjustment to the environment, thanks to flexibility. A model of general organizational resilience is proposed, comprised of three building blocks. General

organizational resilience is achieved through: 1) anticipation and preparedness to be able to absorb shocks and adapt; 2) resources deployment and people's attitudes that enable to grow despite adversities; 3) flexibility and adaptation in the way business is done. Transversal to these three elements is positive adaptation, intended as orientation to seize opportunities.

CHAPTER 2. The main specificities of family business are presented, focusing on their bivalent attributes and introducing a paradox perspective. Then, the concept of resilience for a family is briefly reviewed. Finally, a model for the specific resilience of family firms is proposed, built on three typical elements characterizing family firms: long-term orientation, socioemotional wealth, and familiness. Specific family firms' resilience is achieved through: 1) the concern for the future that imprints the business strategy; 2) the attachment of active family members to the firm; 3) family's influence on business culture. Transversal to these three elements is a paradox perspective, which enables to exploit synergies from the ambivalence of such elements.

CHAPTER 3. An empirical case study is introduced and put in relation with the model: a family firm based in Northern Italy active in the cold-chain logistics sector. Some family members were interviewed through a semi-structured protocol. The research question was: how and why resilience is developed in a family firm, and what are its determinants. The model is finally integrated with the findings of the interviews, indicating aspects of limitation, and proposing directions for further research.

RESULTS SUMMARY. According to the results of the empirical study conducted, for what concerns general organizational resilience, family firms appear to cope with the exposure to an unstable environment and disruptions through situation awareness, financial prudence, and proactivity (proposition 2); resilient behaviours seems to be an effect of entrepreneurial attitudes and characteristics of the business family (proposition 1), as well as the personal engagement of family members (proposition 3); finally, the hybrid managerial and entrepreneurial configuration of family firms allows developing business strategic flexibility (proposition 4). Specific family firms' resilience is achieved through perseverance as an effect of long-term orientation (proposition 5), through high commitment thanks to socioemotional wealth (proposition 6), and through business family's influence in values and policies (proposition 7). In short, we can say

that family firms possess specific advantages in developing resilience, thanks to the synergies given by the overlap of family and business.

AN OVERVIEW OF RESILIENCE

1.1 Introduction

The construct of resilience has developed in the last decades, gaining significance in various different disciplines, such as: ecology, psychology, engineering, disaster management, organization and management sciences. This word has become lately as fashionable as cryptic, since there is lack of rigorous match between its multiple conceptualizations, definitions and scopes of application.

In this first chapter, we will nonetheless pursue a tentative review of the concept, with the circumscribed aim of highlighting those components of the resilience construct, that are significant for business organizations.

1.2 Defining Resilience

1.2.1 Conceptualization and definition of resilience

To adequately frame the concept of resilience and its meanings, we find most useful to start from the etymology of the word, which is grafted in the Latin verb *resilire*, meaning it “to jump back” or “to recoil”. The concept in fact originally referred to a property of materials, that is the ability to recover their original shape following a deformation (Merriam-Webster dictionary).

Expanding the construct to broader natural and more specific human systems, the word got enriched with ontological components and phenomenological aspects, that we could condense in the following focal points:

- Resilience is an ability of an entity (being it an individual, or a system), that becomes manifest in specific conditions, is enhanced or inhibited by endogen and/or exogen factors, can be actively developed, and may evolve through time.

- Precondition to resilience is the vulnerability and exposure to disruptive discontinuities in the environment, being they either negative (adversities) or positive (opportunities).
- Functional performance of resilience results in a reaction of the entity towards such discontinuity, either resisting change or absorbing it, either restoring previous functionality or adapting to a new one.

For introductory purposes we find exhaustive formulations that define resilience as “the ability to absorb strain and preserve (or improve) functioning despite the presence of adversity ... an ability to recover or bounce back from untoward events” (Sutcliffe & Vogus, 2003, p. 96), and “the capacity of a social system (e.g., an organization, city, or society) to proactively adapt to and recover from disturbances that are perceived within the system to fall outside the range of normal and expected disturbances” (Boin et al., 2010, p. 9).

1.2.2 Importance of the topic

Before going deeper in the exploration of the concept, it should be understood why resilience has become the “big deal” of our times. Following the suggestions of some authors (Bhamra et al., 2011; Boin et al., 2010), we can find the reasons for the mounting importance of this concept in the dominant trends of our world: the manifest instability of the natural and social environment that we are increasingly experiencing – e.g., climate change and global terrorism – is magnified by the world-scale complex interdependencies between natural and human systems, and by the rise of pervasive technology, with potential devastating effects of its failure. So far, the literature about social systems’ resilience has taken into consideration a wide spectrum of topics, such as: climate issues, terrorist attacks, resource idiosyncrasies, human migrations, pandemic outbreaks. Today it is acknowledged that disruptive threats could be just around the corner, and extreme shocks are to be experienced more than once in a lifetime. Therefore, the main issue becomes whether it is possible and how to predict, anticipate, prepare to, accommodate, respond to change, making the best out of it. That is where resilience comes into play. In fact, the main question that moved researchers on such topic has been targeted to understand how some individuals and/or organizations, overcome great disruptions

and resist in a turbulent environment, adapt to them and even grow in face of them, while others inevitably fail.

1.3 Resilience of a System

1.3.1 Ecological resilience

The first contribution to the concept of resilience that we consider comes from ecology. In the study of ecological systems, two alternative abilities have been distinguished (Holling, 1973): resilience, or the capacity to absorb changes and still persist, and stability, that is the ability to return to a state of equilibrium after a disturbance. For example, populations in areas subjected to extreme climatic conditions show higher resilience, because they can absorb periodic extremes of fluctuation of the natural environment. What differentiates resilient systems is therefore their adaptive capacity, as they show the following properties (Carpenter et al., 2001):

- They can undergo changes.
- They are capable of self-organization.
- They build capacity to learn and adapt.

Adaptive capacity (or “capacity of response”, or “coping ability”) is the ability of a system “to adjust to a disturbance, moderate potential damage, take advantage of opportunities, and cope with the consequences of a transformation that occurs” (Gallopín, 2006, p. 296).

To come to a more complete definition, we can refer to the resilience of a system as its ability to reduce the probabilities of shock and failure, to absorb shock if it occurs, thus reducing the negative consequences of failures, and to recover quickly after a shock, restoring (new) normal level of performance (Bruneau et al., 2003).

The resilience of an ecological system is directly proportional to its heterogeneity in space and time (Holling, 1973) and can be measured along the following dimensions (Bruneau et al., 2003):

- Robustness, i.e., the capacity to withstand a given level of stress or demand without suffering degradation or loss of function.
- Redundancy, i.e., the extent to which elements are substitutable.
- Resourcefulness, i.e., the ability to identify problems, establish priorities, and mobilize resources.

- Rapidity, i.e., the capacity to meet priorities and achieve goals in a timely manner.

Finally, systems' resilience can be considered opposed to resistance, as it is the capability of surviving large perturbations and even moving to new equilibrium. A resilient system is able to "take advantage of the system dynamics rather than merely resisting change" (Fiksel, 2003, p. 5332).

1.3.2 Resilience engineering

The second discipline that help us to understand the resilience of systems is safety management. In this view, beyond just adaptability, resilience is rather defined (Westrum, 2006) as the ability to: 1) foresee and avoid threats – prevent adverse situations from happening; 2) cope with ongoing troubles – prevent an adverse situation to worsen; 3) repair after catastrophe – recover from an adverse situation occurred.

To monitor the resilience of a system, the following properties are to be evaluated (Woods, 2006):

- Buffering capacity: absorbing disruptions or adapting to them without a breakdown in performance.
- Flexibility: restructuring itself in response to external changes.
- Precariousness: the degree of closeness to the performance boundary.
- Tolerance: the behaviour shown near a performance boundary.

But resilience has also been opposed to anticipation (Wildavsky, 2017), in relation to the source of risk and its predictability: since anticipation aims at preventing potential predictable dangers, while resilience enables to "cope with unanticipated dangers after they have become manifest, learning to bounce back" and "mitigate such effects after they have shown up" (Wildavsky, 2017, p. 85). This approach stresses the capacity of the system to act without knowing in advance the adverse situation to be faced.

1.4 Resilience of the Individual

1.4.1 Psychological resilience

Now we proceed in our review of the resilience construct from the psychological conceptualization regarding resilient individuals. This concept is motivated by the emergence of "good outcomes in spite of serious threats to adaptation or development" (Masten, 2001, p. 228), and started from developmental psychology: object of study

were children who grew as functional and capable individuals, despite growing up in adverse environments (Bonanno, 2012). At the origin of the research was the investigation of factors and processes leading to positive adaptation by individuals despite adverse conditions of the context, which could be related to health, socio-cultural setting, or natural catastrophes (Luthar et al., 2000).

Psychologists' research on resilient individuals has developed in three waves of inquiry (Richardson, 2002), focusing subsequently on:

- The resilient qualities and factors enabling individuals to grow through adversity.
- The process of coping with adversity and attaining resilient qualities.
- The concept of resilience as a motivational force for the individual.

In particular, the analysis identified two groups of factors, that are in action at multiple levels: individual, family, community (Stewart et al., 1997; Luthar & Cicchetti, 2000):

- Vulnerability or risk factors, indices that exacerbate the negative effects of the risk condition and intervene as stress or traumatic events.
- Protective factors, that modify the effects of risk in a positive direction and can be referred to as the ability to cope with risk/trauma.

It was found (Wald et al., 2006) that individual resilience is enabled by contributing factors both at individual level (being positive and open) and environmental level (quality of relations).

1.4.2 Becoming resilient

Beyond the analysis of personality traits or individual attributes that can explain resilience, the construct has also been interpreted (Stewart et al., 1997; Luthar & Cicchetti, 2000) as a dynamic and developmental process – enhanced by the above-mentioned factors –, through which the individual displays a positive adaptation despite the exposure and experience of adversity, and this process is subject to change over time.

But what differentiates resilient individuals (and organizations) and enable them to become such? There are three essential attitudes, that must be activated (Coutu, 2002):

- Acknowledging the situation and accepting reality, which enables endurance.
- Make meaning of the difficult situation, which makes it manageable.
- Being inventive and able to improvise responses, which opens new possibilities.

Resilience is therefore considered an “ordinary phenomenon”, result of basic human adaptational systems, since it shows that the development of the individual is not impaired if these systems are functional, though in the face of adversity (Masten, 2001).

Lastly, the dynamic approach stretches the concept of resilience further than mere reactive recovery. It is, in fact, considered a process of proactive learning and growth, that enables the individual to acknowledge the destructive potential of the adverse situation, and to use it as an opportunity for growth (Youssef & Luthans, 2007).

1.5 Resilience of the Organization

1.5.1 Themes of organizational resilience

In organizational studies as well, we do not find a clear-cut concept of resilience, as “there are numerous independent, ambiguous, and partly inconsistent definitions of the construct” (Duchek, 2020, p. 218). Two historical conceptions of organizational resilience have been identified in organizational literature (Välikangas, 2010): resilience as a “crisis capability”, or the ability of an organization to persist during a crisis, survive and recover from it; and resilience as the capacity of an organization to take action and change before and without experiencing a crisis, thus neutralizing possible threats. Such conceptions are explicated in the following main perspectives and themes (Duchek, 2020) of organizational resilience:

- Resistance: persisting and surviving through absorbing disruption.
- Recovery: resuming functionality.
- Adaptation: adjusting response to changing environment.
- Anticipation: preventing crises.

Historically, we can identify a shift in the conceptualization of organizational resilience, following the 9/11 terrorist attacks (Linnenluecke, 2017). In fact, in the 1980s the focus was on large-scale accidents and disasters, and therefore the research on resilience was declinated into operational safety and intra-organizational reliability, on the model of High Reliability Organizations. The kind of resilience of which HROs are archetypes is connoted by distinctive features such as: a high technical competence, a clear awareness of what core events need be prevented, the adoption of complex procedures for avoiding disasters, the decentralization to team-based problem solving under emergency, and a culture of reliability at all organizational levels (Boin & Van Eeten, 2013).

Instead, the post-9/11 focus was on coping mechanisms and responses to external threats and conditions of great uncertainty of the environment: the theme became building resilience through employee strengths, adaptable business models and better supply chain design (Linnenluecke, 2017). The typical features of this type of organizational resilience are “redundancy, the capacity for resourcefulness, effective communication and the capacity for self-organisation in the face of extreme demands” (Kendra & Wachtendorf, 2003, p. 42).

To pose it in other words, the two approaches can be defined as follows (Darkow, 2019):

- “Plan to resist”: on the model of HROs, the core issue is reliability under challenging circumstances, which “enables organizations to avoid and address unexpected adversities in the moment they occur despite preemptive measures” (Darkow, 2019, p. 150). The aim is to prevent disruptions and crises, by “enacting targeted countermeasures at a very early stage” (*ibidem*).
- “Containing crisis”: the goal is to prevent crises with preparedness and mitigation, which is viable in stable and predictable settings, by “preparing to withstand events that occur with a certain degree of regularity and whose adverse effects can be roughly estimated” (*ibidem*). The objective is to improve resistance and prevent or mitigate potential damages.

But these two approaches show both sides of the same coin, since resilience enables an organization to “avoid potential threats or reduce the impact of those threats” and to “respond and adapt to sudden shocks in order to contain hazardous effects” (*ibidem*).

For an organization, therefore, resilience is a “strategic” issue (Hamel & Välikangas, 2003), since it is in action not just as a singular response to a onetime crisis, but as an ongoing attitude of continuous adjustment to a turbulent environment. Organizational resilience management is therefore about “the maintenance of positive adjustment under challenging conditions such that the organization emerges from those conditions strengthened and more resourceful” (Vogus & Sutcliffe, 2007, p. 3418).

1.5.2 Models of organizational response

One key topic in organizational resilience is the response of an organization toward an adverse situation posed by the environment (a challenge, a threat, a shock...), which is

difficult to foresee and has a potentially disruptive impact. A “maladaptive tendency” has been observed, called “threat rigidity” (Staw et al., 1981): organizations tend to behave rigidly in the face of a threat or adversity involving major environmental change, sticking to well-learned or dominant responses. The effects on organizational behaviour are the following:

- Restriction of information processing: for example, overload of communication channels, reliance on prior knowledge, reduction in communication complexity act so that few alternatives are considered, the decision makers seek for confirmation of the decision made, and low new information is processed.
- Constriction in control: the recurrence to centralization of authority and increased formalization and standardization causes a mechanistic shift.
- Conservation of resources: the concerns are only about efficiency, cost cutting, accountability, thus preventing creative decision making.

In the occurrence of a radical change in the environment, such tendency hinders adaptation, leading to more losses and damage. Opposite to this type of response is adaptation, which is influenced by crucial organizational components such as (Meyer, 1982): operational strategies (that influence diversification and environmental surveillance), control and coordination structures (that can constrain or favour adjustment), ideologies (that motivate and shape responses regarding change) and slack resources (that can absorb shocks).

It has been argued (Chakravarthy, 1982) that adaptation depends on:

- The organization’s adaptive ability: i.e., the organizational capacity (its information processing ability) and the material capacity (its internal resources).
- The process of adaptation: adaptive specialization (the optimization of processes and structures), or adaptive generalization (the improvement of organizational and material capacity).

Nonetheless, the concept of adaptation has been further detailed. Depending on the type of the environmental change occurring, two forms of successful response can be distinguished (Lengnick-Hall & Beck, 2005): “adaptive fit”, which aims at reducing complexity and coming to a new equilibrium; or “robust transformation”, which aims at absorbing complexity, through flexibility, in everchanging environmental situations.

In other words (Boin & Van Eeten, 2013), when hit by a disturbance or a shock, with which the standard operating procedures cannot cope, an organization has two ways to gain a state of normality: returning to the prior order or coming to a further state, through learning. Therefore, resilience as a response model at the organizational level can be twofold: “recovery resilience” is the ability to bounce back and recover from a crisis, while “precursor resilience” is the capacity to absorb shocks and prevent the escalation of crises.

1.5.3 Definition and elements of organizational resilience

Before coming to a more general definition of organizational resilience, we can start by identifying as resilient those organizations that – confronted with strong environmental disruptions – are “able to respond more quickly, recover faster or develop more unusual ways of doing business under duress than others” (Linnenluecke, 2017, p. 4).

In a resilient organization we find the following qualities increased, with respect to a less resilient one (McManus et al., 2007):

- Situation awareness: a greater understanding of itself and the environment.
- Management of keystone vulnerabilities: an increased knowledge of those components with a potential negative impact in crises.
- Adaptive capacity: heightened ability to innovate, thanks to its culture, structures, and processes.

Such organization shows a capacity to “withstand these intense changes and rebound to continue to use the assets of the system in new and creative ways” (Horne III & Orr, 1997, p. 30). There is therefore more than just “bouncing back”: as this would imply the concept of a status quo that need to be restored; instead, what really must be in action is an evolutionary process directed to “achieve new normal” (Darkow, 2019, p. 151). In the face of disruptive change, in fact, organizational resilience becomes the capacity to (McCann, 2004):

- Absorb shocks and surprises, preserving a strong identity and commitment.
- Creatively explore alternatives, proactively preparing for change.
- Broadly access resources, mobilizing and redeploying assets and people.
- Execute transformational change, rethinking and redesigning itself.

We can recognize here a positive, pre-emptive, proactive aspect of the construct of resilience, not only as the prevention of crises, or the reaction to threats, but also as the exploitation of opportunities: resilience as a strategic organizational feature is “the capability to turn threats into opportunities prior to their becoming either” (Välikangas, 2010, p. 20), and “to change before the case for change becomes desperately obvious.” (Hamel & Välikangas, 2003, p. 2).

Considering that organizations are systematically exposed in uncertain environments to unexpected events, we can finally define organizational resilience as “an organization’s ability to anticipate potential threats, to cope effectively with adverse events, and to adapt to changing conditions” (Duchek, 2020, p. 220), “the ability of an organization to anticipate, prepare for, respond and adapt to incremental change and sudden disruptions in order to survive and prosper” (Denyer, 2017, p. 5).

1.5.4 Enhancing organizational resilience

In the literature about organizational resilience, three main categories of conceptualizations can be identified (Duchek, 2020), through which the construct has been interpreted alternatively as:

- An outcome, enhanced by specific organization’s resources, behaviours, strategies, processes.
- A process, with focus on its dynamic nature, highlighting the relationship between those resources and the outcome (being resilient).
- Capabilities, trying to explain how it may be achieved in practice.

As we did at the end of the previous chapter, we want to understand now what drives the dynamic process of resilience and how an organization becomes resilient. It was already acknowledged for a natural system that “resilience is related to variety and redundancy” (Wildavsky, 2017, p. 107). In fact, those characteristics contributing to systems’ resilience, are crucial also in organizations and business enterprises. They are (Fiksel, 2003):

- Diversity of behaviours and strategies.
- Efficiency of resources and processes.
- Adaptability through flexibility and learning.
- Cohesion through culture and networks.

We can further detail each point associating to them strategies to be carried out in order to enhance organizational resilience (Välikangas, 2010). Variety and diversity concern both resources and decision making. “Resourcefulness” has been recognized as the main driver that fosters innovation: i.e., investing in slack, keeping reserves, accommodating for redundancy of financial and human resources. On the other side, “imaginative thinking” results in variety of the interpretational framework and an “attitude of wisdom” and open-mindedness (Weick, 1993).

Efficiency is granted by “robustness” of operations design, thanks to structural modularity, an orientation to strategic renewal, and behavioural multivocality. A sustainable business model is a key source to resilience, allowing an organization access to adequate resources and fit the competitive environment (Gittel et al., 2006).

The strategy of “adaptation” makes an organization explore the new, build on already-existing change, consider different perspectives, thanks to creativity and improvisation, or “bricolage” (Weick, 1993). Fundamental is the aspect of learning, since organizational resilience depends critically upon its ability to “learn and relearn to acquire new knowledge, and reassemble existing knowledge, and then quickly and effectively deploy that knowledge as new skills and practices” (McCann, 2004, p. 49).

Lastly, organizational culture must be marked by flexibility and coordination, which enable “virtual role systems”, and by “respectful interaction” between the organization’s members, based on intersubjectivity and trust (Weick, 1993). Positive relationships constitute “relational reserves” that, in combination with the effective deployment of other resources and strategies, enable organizations to restore their performance (Gittel et al., 2006). In this sense, seven streams of behaviour contribute to organizational resilience (Horne III & Orr, 1997):

- Community, the collective identification in the organization’s vision & values.
- Competence, the match between organizational intangible resources and the demands of changing environment.
- Connections, the internal and external relationships that ensure flexibility.
- Commitment, the trust among the organization’s members.
- Communication, directed to share information.
- Coordination, to align singular efforts.
- Consideration, the tendency to accommodate and value the human factor.

In conclusion, we can identify three main components of organizational resilience and of the process to achieve it (Lengnick-Hall & Beck, 2005). The first is the cognitive component, which is the orientation to new responses, based on constructive sensemaking. Then the behavioural component involves learning and collaboration, enabling flexibility and adaptation through a complex and varied action inventory and the increase of information sources and communications channels. Finally, the contextual component comprises connections and resources: the social capital built on interpersonal relationships, shared commitment, and personal sense of purpose, and broad resource networks that promote slack and variety.

Becoming resilient on the base of the above-illustrated strategies and key aspects, a business organization can “move beyond survival and actually prosper in complicated, uncertain, and threatening environments” (Lengnick-Hall & Beck, 2005, p. 753).

1.6 Resilience in Business

1.6.1 Entrepreneurial resilience

In the literature about entrepreneurship, the construct of resilience is mostly considered as emerging from the personal traits and characteristics of the individual entrepreneur – enabling them and their firms to better respond to failures and disruptions –, but leaving unexplained how the entrepreneurial potential of individuals can be converted into potential for resilience (Korber & McNaughton, 2017). To overcome the limited vision of resilience as an asset, the concept could be interpreted as the dynamic driving force that triggers the entrepreneurial decision and action (Bernard & Barbosa, 2016).

In this sense, within the scope of entrepreneurship, a decisive relationship has been identified (Benight & Bandura, 2004; Bullough & Renko, 2013) between resilience and self-efficacy – i.e., an individual’s core belief to be capable and successful. In fact, self-efficacy acts as enabler of resilience, promoting the individual’s coping efficacy and a positive attitude towards threats, and facilitating post-traumatic recovery (Benight & Bandura, 2004). Entrepreneurship itself is rooted in the concept of self-efficacy, since the latter drives the entrepreneurial intentions in reacting to adversities and finding opportunities (Bullough & Renko, 2013; Krueger et al., 2000).

Adopting a phenomenological approach, entrepreneurial resilience is best understood through those distinctive behavioural patterns shown by entrepreneurs (De Vries & Shields, 2006):

- Optimism: they are focused on goals, have a positive attitude toward change and risk, take action when needed.
- Motivation: they show strong self-efficacy, need for achievement and autonomy.
- Perseverance: they accept situations, demonstrate determination, respond positively to adversity.
- Flexibility: they show tolerance for ambiguity and adaptability toward change.

1.6.2 Resilience from flexibility

In order to build a resilient firm, key actions are reducing its vulnerability and increasing the flexibility of its supply chain (Sheffy, 2005; Sheffi & Rice, 2005).

Since vulnerability can be defined as the combination of the probability of a disruption and the severity of its consequences, a vulnerability assessment helps identify the possible disruptions that could affect the business, assess the likelihood of such events and evaluate the consequences deriving from them (Sheffy, 2005). The resulting “vulnerability map” crosses probability (low/high) and consequences (light/severe) of a specific disruption. In this sense, resilience is interpreted as the successful response toward negative events with a low probability of happening and a potential high impact.

Firms’ vulnerability can be reduced through redundancy or through flexibility. Redundancy might be achieved through idle inventory and redundant capacity; nevertheless, they are costly and non-efficient, causing a trade-off must between the economic cost of disruption and that of redundancy (Sheffy, 2005). A way out is flexibility, in the supply chain processes as well as in the overall company culture, through (Sheffy, 2005; Sheffi & Rice, 2005):

- Communication and awareness: enterprises’ members are involved and informed about the situation.
- Distributed power: front-line employees are empowered to take timely action and decision-making is deferred to expertise.
- Passion and concern: members are aligned with the objectives of the enterprise and share responsibility.

- Conditioning for disruption: people are trained to be prepared to change, innovative and flexible.

1.6.3 Resilience in SMEs

For the purpose of the present thesis, following the European Commission for Internal Market, Industry, Entrepreneurship and SMEs, we consider small and middle enterprises (SMEs) firms employing from less than 250 people and having either an annual turnover not exceeding € 50 million or an annual balance sheet total not exceeding € 43 million.

In the literature about SMEs, the most critical issue for their resilience appears to be resource scarcity. In fact, “planning, resource abundance, highly developed formal processes and systems, and redundancy are keys to developing resilience in the context of large organizations”, while in these very areas SMEs “are likely to face significant deficiencies” (Branicki et al., 2018, p. 1247). Therefore, the sources of resilience for SMEs must be found in the entrepreneurial behaviour, and particularly in the role of personal relationships, in the emphasis given to autonomy and control, and in the opportunity-centric view and muddling through approach towards adversities (Branicki et al., 2018). Nonetheless, small firms possess typical strengths with respect to more structured corporations: their flattened structure enables rapid decision making, they can count on motivated management and workforce, and are capable of fast learning and adaptation (Vossen, 1998). SMEs’ specific organizational behaviour and managerial characteristics are the internal factors that enable responsive and innovative decision making, thus influencing their resilience and competitiveness (Gunasekaran et al., 2011). In accordance with that, a fundamental antecedent of SMEs resilience has been identified in their ambidexterity (Iborra et al., 2020), i.e., the dynamic capability of managing both exploitation and exploration, alias the capability of improving efficiency while maintaining a positive orientation to renewal.

In absence of slack and under resources constraints, in order to enhance resilience, SMEs should aim at building a “capability portfolio” that comprises resilience responses based on routines, in order to face ordinary threats, and resilience capabilities based on heuristics, for extraordinary disruptions (Manfield & Newey, 2017). This allows them to overcome rigidity and perform effective decision-making, enabling survival and growth.

1.6.4 Measuring resilience

Before concluding our review of the construct of resilience in relation to business organizations, it is due noting that, while its conceptualization is abundant in the literature, more limited contribution has been given to address the issue of how to assess and measure it. Nevertheless, such assessment has been recognized to move along two dimensions (Ruiz-Martin et al., 2018):

- Estimating the organizational resilience potential before a disruption occurs, taking into considerations those attributes of resilience so far identified (e.g., people, awareness, vulnerabilities, resources, “bricolage”, learning, flexibility).
- Evaluating the level of resilience demonstrated by an organization after the occurrence of a disruption, i.e., its outcomes and achievements.

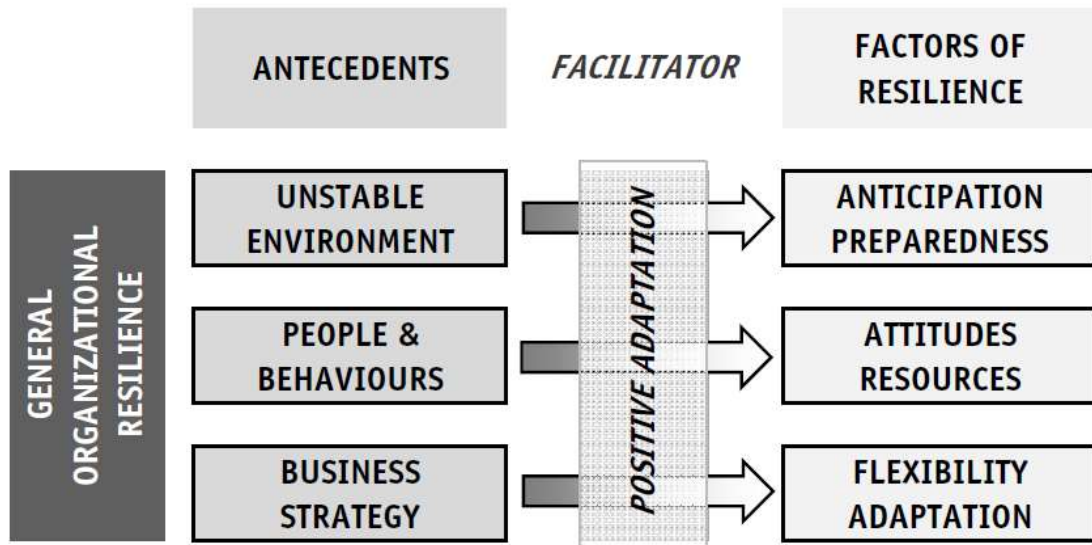
1.7 Conclusions

In this first chapter, we presented the salient elements that help us framing the construct of resilience for business organizations – in their multiple nature of human and economic systems – in order to build a model of general organizational resilience:

- As complex systems in unstable environments, business organizations can develop resilience as the capacity to absorb shocks and adapt to environmental disruptions. Resilience can be therefore declined as anticipation and preparedness: being ready to tackle negative events and adopt strategies that enable to overcome them.
- As human systems, they can leverage on people, enabling behaviours that build resilience, in order to not only resist but also grow despite and through adversities. In this sense, resilience can be realized through developing attitudes and deploying resources to tailor effective solutions.
- As economic systems, they must address strategically the issue of flexibility of their business strategy and in general of their organizational actions, oriented to adaptation. Resilience may then be enhanced from the way decision-making is performed and how business is conducted.

We understand that for organizations in general, and especially for business firms, what is crucial to be resilient is positive adaptation, interpreted as the orientation to recognize, beyond threats, opportunities in change and disruptions.

Figure 1 Elements of general organizational resilience.



Source: Personal elaboration.

ELEMENTS OF FAMILY FIRMS' RESILIENCE

2.1 Introduction

Family firms in Europe represent 85% of the companies and create up to 50% of employment (European Family Businesses, n.d.). In Veneto region, specifically, family businesses are accounted for 75% of the total firms; and, with respect to family businesses in the rest of Italy, Venetian family firms show a preference toward a strong control of the board of directors and opt for more complex and structured models of corporate governance (UCV-EIC, 2017).

We now discuss the specificities of family firms, the concept of resilience for a family and the resilience potential of family businesses.

2.2 Specificities of the family business

2.2.1 Defining the family business

Although family firms are a heterogeneous category, essential aspects can be identified that distinguish them from other business enterprises. For example, the E.U. identifies as family businesses firms with:

- The majority (or 25%, in case of listed companies) of decision-making rights (indirect or direct) in the possession of the people who established the firm or their spouse/relatives/heirs.
- At least one representative of the family (or kin) formally involved in the governance.

To come to a more general definition, fundamental is to recognize and weigh the influence exerted by the family in the business firm. Such influence moves along two dimensions (Zellweger, 2017):

- Dominant control in the hands of family: the degree and forms of involvement of the family in the business.
- Transgenerational outlook: the critical relevance of succession and long-term value creation.

More in detail, the specificities of family firms can be investigated in the following directories (Zellweger, 2017):

- Amount of family control: the degree of involvement in ownership, management, and governance.
- Complexity of family control: the number of family owners, the number of family managers, and the configuration of ownership and management.
- Business setup: goal of entrepreneurship or investment, number of firms controlled, and degree of diversification.
- Philosophy of family control: role of socioemotional wealth (family identity and goal, importance of social ties).
- Stage of control: generations involved and succession intention.

After these considerations, we can therefore define a family business as “a firm dominantly controlled by a family with the vision to potentially sustain family control across generations” (Zellweger, 2017, p. 22).

2.2.2 Bivalent attributes of family firms

Family firms show unique typical features. Although pleonastic, family business’ specificity resides in the overlap of family and business. More specifically, three distinct memberships coexist in such firms: family, ownership and management, and their overlap generates “bivalent attributes” (Tagiuri & Davis, 1996), inherent features that are sources both of benefits and disadvantages, strengths and weaknesses. They are the following:

- Simultaneous roles of family members, owners and managers enhance loyalty and facilitate fast and effective decision making; but also gives rise to the risk of norm confusion, with mutual intrusion between family and business considerations, to the detriment of both.
- Shared identity (e.g., the family name) calls for policing the family members’ behaviours, but this might generate resentment due to non-conformity.

- A lifelong common history between family members ensures a relational and behavioural know-how that is positively or negatively affected, depending on experience.
- Emotional involvement and confusion blur objectivity and can promote or jeopardize family relationships and work performance.
- The private language of relatives can facilitate or damage communication.
- Mutual awareness between family members fosters support, but also can menace personal privacy.
- The meaning of the company for the family members and their attachment to it influence work relationships in the sense of synergy or opposition.

2.2.3 Family business in a paradox perspective

The presence of bivalent attributes in family firms gives rise to competing tensions and alternative approaches, that seem to claim predominance of either the business or the family sphere. Instead of trying to reconcile these divergent forces, a paradox perspective can be adopted. A paradox can be defined as “contradictory yet interrelated elements that exist simultaneously and persist over time” and “seem logical when considered in isolation but irrational, inconsistent, and even absurd when juxtaposed” (Smith & Lewis, 2011, p. 386). The paradox approach, therefore, considers how an organization can deal simultaneously with such tensions, without resolving them but rather capturing synergies for its long-term sustainability (Smith & Lewis, 2011).

This perspective considers family and business spheres not incompatible, seeking instead synergies between as a result to the “collective mindfulness” of the controlling family, that make the firm benefit of advantages from family involvement (Zellweger, 2013). Such mindfulness allows to successfully combine family and business and consists in the reluctance to simplify and the consideration of the bivalent attributes of family involvement; the rejection of a business-first or family-first approach; the concern for the long-term sustainability (Zellweger, 2013).

2.3 Resilience of the family

2.3.1 The family coping with crises

Considering that family equilibrium results from the balance between its demands and capabilities, family demands can be defined as calls for change, either as threat or as

challenge, of the current family functioning, and arise from two major conditions (Patterson, 1988):

- Stressors, which are discrete events that happen and produce change.
- Strains, which are conditions of tension associated with the need or desire to change, because of unresolved tensions from previous stressors, or frustration from role and performance, or unsatisfactory outcomes of the coping process.

More in general, we refer to a stressor as “an occurrence that provokes a variable amount of change in the family system” (Bush et al., 2016, p. 7), altering its equilibrium. Stressors can therefore be either positive or negative, and are usually distinguished in two categories (Bush et al., 2016):

- Normative: i.e., normal events and transitions, common to everyday life and inherent to the family life cycle.
- Non-normative: i.e., unique, unexpected, and unpredictable occurrences.

Depending on the typology of stressors and strains, resilient families show a twofold aspect of coping with disruptions, being either resistant or adaptive (McCubbin & McCubbin, 1988):

- When coping with normative stressors, resilient families utilize their resources to promote adjustment.
- When coping with non-normative stressors, resilient families use and create resources to promote adaptation.

Such coping processes are explained by the Family Adjustment and Adaptation Response Model (Patterson, 1988), which articulates in three phases:

- Adjustment: the existing capabilities of the family manage to meet the demands coming from minor changes.
- Crisis: major changes generate imbalance between exceeding demands and existing capabilities generated.
- Adaptation: a new equilibrium is reached through the renewal of the family system (regarding capabilities, demands, view of the situation).

Successful adaptation promotes both individual members fulfilment and family functioning.

2.3.2 Resilient families

As previously seen on resilient individuals, we can understand family resilience through highlighting the specificities of resilient families, which, although experiencing crises, “emerge strengthened and more resourceful” (Walsh, 1996, p. 261). Key aspects for such comprehension are the relational context in which resilience is realized, and a developmental perspective that considers the processes of adaptation and coping extended over time (Walsh, 1996). In particular, family resilience is fostered by specific resources and processes within the family, that influence how a crisis is viewed and guide response (Patterson, 2002; Walsh, 2003; Black & Lobo, 2008):

- Positive outlook, optimism, and hope.
- Cohesion, togetherness, taking care of relations.
- Communication oriented to openness and sharing.
- Flexibility and accepting change.
- Spirituality, shared values, sense of purpose.
- Making meaning of the situation.
- Social and financial resources.

Thanks to such specificities, resilient families prove to be “resistant to disruption in the face of change and adaptive in the face of crisis situations” (McCubbin & McCubbin, 1988, p. 247).

2.4 Resilience of family firms

2.4.1 Introduction

Family business resilience has been acknowledged in the tendency of family firms to outperform non-family peers during economic downturns. In fact, thanks to their specific idiosyncrasies, family firms, compared to their non-family peers, have shown to resist better economic downturns (enjoying better financial performance, recovering better, and keeping their advantages), be more able to mobilize their resources, and have stronger financial structures (Amman & Jaussaud, 2012).

We will now discuss three typical features characterizing family firms, which we believe are also determinants of their resilience: long-term orientation, socioemotional wealth, and familiness.

2.4.2 Long-term orientation

A fundamental element of family firms' performance, long-term orientation can be defined as strategic priorities, specific goals, and relative investments that bear benefit over an extended period of time and after some delay (Le Breton–Miller & Miller, 2006), thus involving “far-sighted decisions, future pay-offs, and the exercise of patience” (Lumpkin & Brigham, 2011, p. 1158).

In family firms, the involvement of family members in the top management has a positive effect on performance because of its association with LTO, enhancing agency and stewardship positive effects (goal alignment and commitment), while reducing their negative effects (control costs and altruism) (Hoffmann et al., 2016).

The drivers of LTO in family firms are to be found in governance characteristics such as (Le Breton–Miller & Miller, 2006):

- Long CEO tenures, that enhance stewardship over the firm, deeper knowledge of the business, and incentive to invest for the future.
- Concern for future generations, considering longer investment time horizons.
- Family and CEO control, that allow discretion in investments.
- Control and management by family owners, thus reducing agency costs and freeing surplus resources to be invested.
- Owner and CEO knowledge of the firm and the business, that reduces uncertainty of long-term investments.

As a temporal perspective, LTO influences family firms' decision-making process along three dimensions (Lumpkin & Brigham, 2011):

- **Futurity:** the concern for the future, based on the belief of the utility of considering future consequences of current actions.
- **Continuity:** bridging past and future, based on the belief of the value of what is long-lasting and enduring.
- **Perseverance:** the conscientiousness required to persist, based on the belief of future benefits from current efforts.

The LTO of family firms enables a stewardship perspective that aims at the continuity of the business by making more future-oriented investments in capabilities, people and relationships (Miller et al., 2008; Le Breton–Miller & Miller, 2006). This constitutes a

basis for resilience, as it enhances confidence and positive outlook toward the future beyond the current situation, regardless of difficulties and uncertainty (Nordqvist & Jack, 2020).

2.4.3 Socioemotional wealth

In small family firms, the involvement of the family in the business (e.g., percentage of ownership, family members in management, number of generations) is positively related to the importance granted to non-economic goals, which reflect the vision and values of the controlling family (Chrisman et al. 2012). More in general, “when there is high family involvement, firms are more likely to bear the cost and uncertainty involved in pursuing certain actions, driven by a belief that the risks that such actions entail are counterbalanced by noneconomic benefits rather than potential financial gains” (Berrone et al., 2012, p. 261).

Such considerations call for the concept of “socioemotional wealth” (SEW), i.e., those “non-financial aspects of the firm that meet the family’s affective needs, such as identity, the ability to exercise family influence, and the perpetuation of the family dynasty” (Gómez-Mejía et al., 2007, p. 106). In fact, it is ultimately the preservation of SEW what drives family firms’ business decisions and determines their risk-willing and risk-averse behaviour. In fact, in order to retain family control, they are more willing to accept a higher risk of performance hazard, that is to accept greater probability of failure or below-target performance with respect to the past or to peers in the industry (Gómez-Mejía et al., 2007). Nevertheless, as their performance worsen further the target, they are more conservative and tend to avoid venturing risks, i.e., investments in opportunities that increase performance variability (Gómez-Mejía et al., 2007).

SEW is a multidimensional concept – captured in the acronym FIBER – composed of (Berrone et al., 2012):

- Family control and influence in ownership, governance, and management.
- Identification – and sense of belonging – of family members with the firm.
- Binding social ties, i.e., valued and strong relationships with all stakeholders and the community.
- Emotional attachment and the importance of affective considerations.

- Renewal of family bonds to the firm through dynastic succession, based on long-term orientation.

A short form of the FIBER scale (the “REI scale”), focuses just on three aspects: transgenerational continuity, emotional bonds, and personal meaning (Hauck et al., 2016).

Furthermore, SEW itself is bivalent, as the following distinction can be made (Miller, Le Breton-Miller, 2014):

- A restricted SEW is focused on family centric priorities and short-term benefits, with negative outcomes on the interest of non-family members and the business long-term performance.
- An extended SEW instead takes into consideration a broader range of stakeholders beyond the family, thus pursuing long-term benefits to the business.

Socioemotional wealth can be considered as a determinant of family business resilience as it embodies a commitment to core values, family business legacy, and relationships beyond financial success (Nordqvist & Jack, 2020). Identity and relationships hence are the basis for family firms’ resilience, enacted as “self-regulation”, a response capacity based on family identity, mission and values, and “embeddedness”, capitalizing on relational network (DeCiantis & Lansberg, 2017).

Such outlook is reflected in the financial setting of family firms, which as well can be a resilience enactor. In fact, through frugality and leaner cost structures, prudence with capital expenditures, and contained debt exposure, family firms reduce the need of layoffs in crises and wisely select sustainable investments (Bloch et al., 2012), securing some independence of action, thanks to financial control and flexibility (Nordqvist & Jack, 2020).

Finally, a positive relationship between family-centered noneconomic goals and open innovations suggests that family firms, leveraging on socioemotional wealth, can be more resilient toward environmental jolts (Campopiano et al., 2019).

2.4.4 Familiness

According to the resource-based view, the sustainable competitive advantage of a firm is generated by the resources it controls, only if they are (Barney, 1991):

- Valuable, i.e., they exploit environmental opportunities and/or neutralize environmental threats.
- Rare, as they are not controlled by many other competitors.
- Imperfectly imitable, because of their idiosyncrasy, ambiguity, and complexity.
- Non-substitutable, i.e., they have no strategic equivalents.

Adopting a RBV approach toward family business, the source of sustainable competitive advantage of family firms can be identified in “familiness”, that is, “the unique bundle of resources a particular firm has because of the systems interaction between the family, its individual members, and the business” (Habbershon & Williams, 1999, p. 11). Familiness can be unbundled in the following salient characteristics differentiating family firms (Sirmon & Hitt, 2003):

- Human capital: informed by the duality of family and business relationships, it can have positive (commitment, relationships quality, firm-specific tacit knowledge) and negative consequences (suboptimal hiring, difficulty to attract and retain qualified managers).
- Social capital: privileged ties with stakeholders thanks to family-embedded network, language, and relationships.
- Patient financial capital: because of a longer time horizon and with the incentive to its effective management.
- Survivability capital: the pooled personal resources contributed by family members, with the interest in the continuation of the business and wealth creation.
- Governance structure and costs: as they encounter generally lower agency costs, except for specific agency costs because of altruism.

However, it has also been argued (Sirmon & Hitt, 2003) that, rather than the specific resources alone, it is their effective management to produce sustainable competitive advantage: i.e., resource inventory (evaluating, adding, and shedding resources), bundling, and leveraging. In this sense, thanks to the above-mentioned characteristics, in resource management family firms distinguish themselves from non-family firms because (Sirmon & Hitt, 2003):

- Their managers are more likely to use an appropriate time horizon and have an appropriate level of knowledge for resource evaluation, but less likely to shed non valuable resources.
- They are more likely to absorb new resources; although suffering deficiencies in human capital, these can be reduced by increasing the heterogeneity in the management team; furthermore, family firms are likely to gain more value from alliances and to develop deep tacit knowledge.
- They better perform resources bundling and leveraging, but only if develop deep and heterogenous managerial knowledge.

Familiness as well shows an ambivalence, since it can have positive or negative impact on the family business strategy: positive familiness needs to be turned into competitive advantage and negative familiness must be overcome in order to limit competitive disadvantages (Zellweger, 2017).

Family firms' resilience is especially fostered by the interaction between human, social and financial capital, enabling them to overcome shocks and exploit opportunities (Mzid et al., 2019). Furthermore, the particular human capital and governance setup of family firms, grants "modularity", i.e., autonomy and integration of key functions thanks to strategic family coordination, "adaptability", in the sense of flexibility in the (re)deployment of resources thanks to close family control, "diversity", thanks to the access to a broad range of capabilities and resources through family members engagement (DeCiantis & Lansberg, 2017), and proneness to quick decision-making and improvisation, thanks to flatter organizational hierarchy (Nordqvist & Jack, 2020).

A further specification of the concept of familiness can be found in the influence exerted by the family in the business, and its impact on firm's performance, as proposed by the "F-PEC scale" (Astrachan et al. 2002; Klein et al., 2005; Rutherford et al., 2008). Other than the dimensions of "power" (which measures the extent and quality of ownership, governance, and management) and "experience" (which considers the succession and number of family members contributing to the business), decisive is the dimension of "culture", that is, the overlap between family values and business value. For the purposes of this thesis, we consider the role played by business family's values in influencing a resilient organizational response, through its way of conducting business and nurturing strategic relationships.

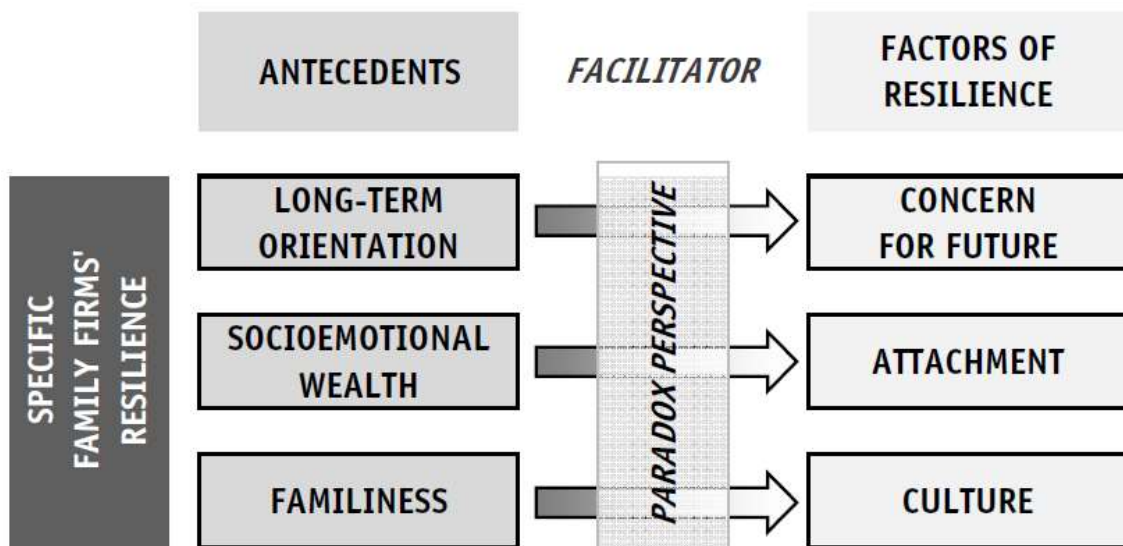
2.5 Conclusions

In the second chapter we analysed the specific features that characterize and define of family firms: family control, transgenerational outlook, and the paradoxical bivalence given by the overlap between family and business. We then rapidly reviewed the concept of resilience in families. Finally, we identified three typical characteristics of family firms that compose a model of specific family firms' resilience:

- Long-term orientation, that imprints business management and strategic decision-making with concern for the future.
- Socioemotional wealth, those non-financial aspects vested in the firm by the family, that is embodied in the deep attachment of active family members.
- Familiness, the unique bundle of resources generated by the interaction between family and business, and the influence of the business family, which is realised in its organizational and business culture.

The model is composed of aspects that are all expression of the ambivalent nature of family firms. A paradox perspective, therefore, should always be used, as the catalyst allowing consider and exploit those positive synergies that lead to resilience.

Figure 2 Elements of family firms' resilience.



Source: Personal elaboration.

CASE STUDY

3.1 Introduction

In the first two chapters we reviewed some significant literature about resilience and family business, in order to build a theoretical model of resilience for family firms. In this last chapter, to verify such model a case study is analysed, in a qualitative research approach.

Qualitative research aims at investigating the subjective viewpoints of the people involved, describing the social processes formation, interpreting complex structures and relationships that go beyond cause and effect (Flick et al., 2004). The objective of this approach is the cognitive appraisal and understanding of the reality from the inside out, through the subjective narratives and meanings expressed by the participants: the data interpretation is therefore contextual, and attention is granted to each diverse perspective (Corbetta, 2003; Flick, et al., 2004; Denzin, 2008).

Case study is most common in qualitative research in the field of social sciences, and particularly in organizational and family business studies (Hartley, 2004; De Massis & Kotlar, 2014). It can be defined as an inquiry to investigate a phenomenon in its real-life context and is best suited to understand social complex phenomena such as organizational processes (Yin, 2003). In case studies, a fundamental role is recognized to the context, which is itself part of the analysis, as the aim is to understand the influence between environmental context and social processes (Hartley, 2004).

Finally, rather than quantitative methods, a qualitative case study approach is particularly suited for family business research, because of the inherent complexity of the subject, as previously seen, given by the bivalent identity and dimensions of family and business (De Massis & Kotlar, 2014).

3.2 Case selection and description

3.2.1 History of the firm

The family firm selected as case study for this thesis (henceforth “the Company”), is a joint-stock company based in northern Italy, active in the sector of cold chain logistics and transport. It was founded in mid-40s by two families (Rossi and Bianchi) as a transport company. In the 80s L. Rossi-A, G. Rossi-B, and F. Bruni – the sons of the two founders – succeeded the deceased fathers. In mid-90s a new shareholder joined the Company: S. Bruni, which promoted the entry of the Company in the business of cold chain logistics. Since then, the business activities served have included: storage services, full-truck and groupage distribution, first for industry only and then also for restaurants, and eventually a niche for deliveries to cruise ships.

The Company belongs to a group of firms and a consortium, which are all under the control of the founding families (Rossi – which we consider split in two family groups: Rossi-A and Rossi-B – and Bianchi). It is owned for 75% by the three founding families (in the persons of L. Rossi-A, G. Rossi-B, and F. Bianchi) through an intermediate company – which in turn is owned by each family for 1/3 – and for the remainder 25% by S. Bruni. For the purpose of the present case study, all of them can be considered “owners” of the Company. Since S. Bruni’s son (P. Bruni) has been active in the Company for several years, now with the role of area manager, we consider them as a fourth family that shares control of the Company.

Each family has a member in the Board of Directors, having all of them equal representation and signing power. Initially the BOD members were L. Rossi-A, G. Rossi-B, F. Bianchi, and S. Bruni. In mid-2010 the son of L. Rossi-A (M. Rossi-A) and the daughter of F. Bianchi (E. Bianchi) replaced their respective fathers in the B.O.D. and as managing directors of the Company, while the two fathers remain owners.

3.2.2 Facts and figures

The Company employs almost 150 people (distributed in 5 local units across Northern and Central Italy), has had average annual revenues in the last five years of almost 60 thousand Euros, and an average annual balance sheet total in the last five years of 25 thousand Euros. Although such figures place the Company just a step outside the

boundary set in the E.U. definition of medium enterprise, nevertheless, for the purpose of our thesis, we consider it to be a ME.

In terms of growth and profitability, in the years 2016 to 2019 (thus excluding the year of Covid-19 pandemic) revenues had a CAGR of more than 6%, but even considering year 2020, in the last 5 years the firm recorded an average EBITDA margin of ca. 4,5%. In 2020, although a decrease in revenues by almost 14%, the EBITDA margin was 4% higher than 2019. This was achieved by leveraging both on instruments and concessions provided by the Italian Government, and on the optimization of internal processes promoted by management.

Interesting is also the policy regarding the management of reserves, as they grew at a CAGR of more than 14% in the last five years, with a ratio on the total balance sheet going from 16% in 2016 to more than 26% in 2020. This clearly shows the commitment of the owners to reinvest business profits in the firm.

3.2.3 Aspects of interest

The Company has been selected as case study for the present thesis because it shows specific features, that help us to better understand the resilience of family firms.

First and foremost, it can undoubtedly be defined as a “family firm” (both for the percentage of ownership and the scope of strategic and managerial control in the hands of the four families). Besides that, it is a firm that has shown in its history an appreciable capacity for positive outcomes, in the face of important crises – therefore, a resilience capacity – lastly in the ongoing Covid-19 Pandemic. These two elements above all make it suitable for consideration as a resilient family firm.

Second, the firm is owned by the second-generation families, and the third generation is involved in the strategic management. This aspect manifests clearly the scope of long-term orientation in this firm, justifying its consideration as a milestone element of resilience capability.

The third aspect of interest, the members of the family active in the firm appear paradigmatic in showing everyone a high level of identification and commitment, regardless of their role and history inside the firm. Such feature is the basis for our investigation on resilient attitudes and socioemotional wealth.

Lastly, emblematic can be the way in which business is conducted and relationships are dealt with. This is evident from the long-lasting strategic partnerships built (some of

which institutionalized in the consortium), or the long tenures of some top tier non-family managers, as well as the considerations and mindset in play in critical moments, represent an archetypal element of familiness.

3.3 Research procedures and methods

3.3.1 Type of interview

For the purpose of this thesis, a semi-structured interview protocol has been followed. Such technique – an inquiry tool typical of qualitative research – is a guided conversation that allows the pursuit of the above stated objectives with the advantage of flexibility: in fact, while following a themes guideline informed by theory, it gives space to personal narrativity, helping the comprehension of complex real phenomena (Corbetta, 2003; Galletta, 2013).

The interviews were conducted on-site, in the Company offices, and lasted about 50 minutes. They were carried out in a slightly informal but engaged style, due to the acquaintance and confidence with the interviewees. They were recorded, in order to review the notes.

3.3.2 People interviewed

Three people were interviewed: each of them are members of the incumbent business families, with high-ranked positions and roles in the firm in different organizational areas.

S. Bruni (henceforth “S.B.”), man, 60-65 y. o., is the Vice-president of the BOD and functionally covers also the role of Sales Managing Director (with special focus on the “Premium Clients Division”). He does not belong to the founders’ kins, as he became shareholder about 25 years ago. Previously he had served as a manager in two different family firms, then chose to become shareholder of the Company because of the personal bond he already had with one of the existing shareholders, and for the Company’s appeal as a high-quality family firm.

E. Bianchi (henceforth, “E.B.”), woman, 45-50 y. o., is member of the BOD and functionally has the role of General Director. She belongs to the third generation of the founding families (granddaughter of Bianchi). Previously she had worked as a social worker and entered actively in the company in mid-2010, as part of a process of company reorganization.

F. Rossi-A (henceforth “F.R.”), woman, 35-40 y. o., is not formally a managing director, although she has functionally the role of Chief Financial Officer since mid-2010. She too belongs to the third generation of the founding families (granddaughter of Rossi-A; sister of M.R.). She joined the Company right after the University in the early 2000 (having a degree in Economics) and covered several positions in areas such as debt recovery, international shipments, human resources management, before becoming CFO.

3.3.3 Themes of the interviews

The interviews were based on the themes composing the model of resilience for family firms that has been investigated in the previous two chapters. The model comprises two macro-areas, each composed of three building blocks, considered as antecedent conditions to resilience. The first macro-area regards resilience in general for a business organization, which can be developed in the following directories:

- Anticipation and preparedness: the questions explored whether it is possible and how to be ready to tackle negative events and disruptions, and which pre-emptive strategies have been planned and implemented so far in the organization.
- Attitudes and resources: the talk focused on which negative events have been experienced and what solutions were adopted to overcome them.
- Flexibility and adaptation: the interrogation aimed at illustrating the decision-making process and the leadership style adopted in the company.

The second macro-area of the model refers to the specific issues of family firms' resilience, that can be explained by its typical features:

- Long-term orientation: the conversation illustrated the transgenerational evolution of the families and the firm, and the business families' vision and objectives.
- Socioemotional wealth: the topics addressed were the role of the families in the business and the feelings (positive and negative, sense of belonging, pride...) associated in actively taking part of the firm.
- Familiness: the discourse revolved on the values pursued by the families in doing business, and on the investment policy adopted.

3.4 Analysis and results

3.4.1 Understanding of resilience

A recent survey (Conz et al., 2020), has shown different understandings of resilience by family firms' owners and managers, and consequent resilience practices. Resilience is interpreted alternatively as:

- Predictive control, anticipating change in order to avoid or absorb it.
- Proactive development, preparing in advance to adapt and reduce the effects of disruptions.
- Stable perpetuation, absorbing change to return to previous equilibrium.
- Adaptive consolidation, facing the change and adapting to reach new equilibrium.

The answers given by the interviewees evocate the last interpretation, as they referred to resilience as endurance, readiness to react, and positive orientation to seize opportunities.

S.B.: "Resilience to me recalls endurance ... the capacity to get back on feet and roll up one's sleeves ... the capacity to seize positive opportunities."

E.B.: "Resilience means being able to resist ... endurance oriented to development ... resilience is to react readily, fast, effectively."

F.R.: "Resilience is the capability to tackle difficulties in a positive way, not let oneself down and seize opportunities."

Such wordings are consistent with most of the characteristics and attitudes typical of entrepreneurial resilience and resilient families (above all: optimism, motivation, flexibility), as enounced in paragraphs 1.6.1 and 2.3.2. Therefore, we can come to the following consideration:

Proposition 1. In family firms, resilience comes from entrepreneurial attitudes and family characteristics, such as: optimism, motivation, and flexibility.

3.4.2 Anticipation and preparedness

For what concerns the possibility to be ready to negative disruptions, the answers revealed the awareness of the fragility of the Company system given by the exposure to

an unstable broader environment, together with the conviction that success is determined by proactivity, valid viable options, and financial cautiousness.

S.B.: "One is never ready to tackle a crisis ... rather one is ready to react ... you organize to reroute ... a capability of family firms is to look immediately each other in the eyes and get to work."

E.B.: "From the Covid experience I grew aware that, no matter how solid our Company is, one day the 'black swan' comes ... Being ready means never being sure to be safe, being aware that inconvenience is always to come, and having alternative plans (A, B, C, D...) ready, having the right team of people, building the right competencies ... our business diversification allowed us to go on."

F.R.: "Our *modus operandi* has always been to be very cautious, not diving into enterprises without having certainties; therefore, we're not naïve when a crisis comes up ... after the pandemic outbreak we weren't afraid from the financial point of view; what worried us was whether the market held."

The strategies adopted by the firm to foster its resilience are basically of two types: attentively monitoring the financial and cash flow sustainability and implementing internal strengths and external synergies (especially IT innovation).

S.B.: "We've always been supported by external consultants that helped us especially in credit management ... What played was the capacity to roll up one's sleeves, being able to adapt and find solutions, develop adequate IT and physical infrastructures."

E.B.: "We adopted strategies of innovation of internal processes; particularly leveraging on teams ... in the last years we launched 5 innovation projects ... We also aimed at strengthening external partnerships ... the Company is stronger as long as it collaborates more ... We put trust in external partnerships ... We monitored more attentively our competitors."

F.R.: "Every year we make a budget weighing needs and unexpected events ... we carefully consider every possible emergent cost, so that we have no surprises. Risk exposure is evaluated from the point of view of financial solidity."

Here the antecedents of organizational resilience can be recognized, as illustrated in paragraph 1.5.3: i.e., situation awareness, management of keystone vulnerabilities, and adaptive capacity. The first element of general organizational resilience, in the model here proposed, considers the fragility of the business organization as a complex system exposed to the instability of the environment. In this sense, resilience is the capacity to either prevent or prepare to, either absorb or adapt to disruptions. The family firm object of study shows that situation awareness enhances attention and proactivity, which become the foundation for developing resilience capacity. Such practices appear to be ex-

pressions of the controlling family mindfulness and concern cited in paragraph 2.2.3, which derive from the overlap of family and business. They are in line with the typically acknowledged prudence of family firms' strategic decision-making, especially from the financial point of view, as an effect of LTO and SEW. Lastly, the consideration given to proactivity and rapidity of reaction can be reconducted to positive familiness. So, we can conclude that:

Proposition 2. In family firms, organizational resilience is possible through situation awareness, financial prudence, and proactivity.

3.4.3 Attitudes and resources

Coming to which negative events have been experienced by the Company, it is interesting noting a difference in the historic consciousness between senior and junior generations. As a matter of fact, when asked to tell a significant experience of negative event for the firm and the business family, the second-generation shareholder referred to the global financial crisis of year 2008 and the spin-off of a regional division in ..., while the third-generation officers considered only the ongoing Covid-19 pandemic.

S.B.: "Other than the 2008 crisis, an important event of crisis was the spin-off of the regional division of *****: a team of people left the Company and became a competitor. We lost an important portion of market, in an area where we had weak presence."

F.R.: "The Covid pandemic was an unforeseen traumatic event, a 'black swan' ... We made 10 mln less in turnover."

The distinction regards also the solutions adopted to overcome such negative crises. In the case of the regional division spin-off, decisive was the quick reaction and the personal effort poured into it, while in the 2020 pandemic pivotal were cost reduction and optimization.

S.B.: "We were able – as a family – to react readily, going personally to the spot to manage the remainder of the division, the warehouse, the relationship with the client ... Being on the spot, giving continuity to the clients, guaranteeing that the Company wouldn't stop ... supporting people personally."

F.R.: “In 2020, despite a 10 mln less turnover, we made a final net result higher than 2019. We took advantage of the leverages granted by the State (financing *moratoria*, suspension of contributions, redundancy fund) as well as internal leverages (leaner processes and informatization).”

The second element of organizational resilience in our model identifies the resilience capacity in the behaviours enacted by the people, that enable an organization to overcome adversities and grow. The experience reported confirm this concept, as the personal involvement and effort of the active family members and the clever use of every leverage at hand paid off. We can find here the conceptualization of resilience, explained in paragraph 1.5.3 as creative exploration, broad resource access, and change execution. The personal involvement of family members in business issues is a positive outcome of the identification and engagement due to SEW and familiness, as well as the capacity to consider and exploit the available options and optimizing all resources, while never losing control. We then posit that:

Proposition 3. In family firms, organizational resilience is fostered by the personal engagement of active family members.

3.4.4 Flexibility and adaptation

The decision-making process was described as formally structured and devoted to complete agreement. The importance of shareholders' agreements in regulating decision-making has been clearly stressed. This is consistent with the tendency toward more formal corporate governance by Venetian family firms, as shown in paragraph 2.1.

S.B.: “The charter and the shareholders' agreements regulate the relations between shareholders: the rule is that decisions are always made collegially in BOD meetings, for strategically relevant matters, such as: client acquisitions, new business projects, organizational issues ... We make formal communications in regular weekly meetings ... (for such communications) we also have an extended BOD, including all the active family members.”

E.B.: “There are different levels of decision-making: BOD and shareholders choose strategic objectives, the Directors Committee create projects proposals (with analyses of risks, opportunities, costs, and results), then presents them to the BOD, which approves them. The shareholders presence in the strategy is strong: we always come to an agreement.”

Nevertheless, such formality lengthens the decision-making process.

E.B.: “There is harmony between the four shareholders, based on unity, respect, esteem: we never experienced conflicts; rather we slow down. Lengthiness is a critical aspect: sometimes the decision-making process slows down, because we won’t go on if everyone is not convinced.”

F.R.: “The decision-making process is very long and winding. Being cautiousness one of our characteristics, we must have an eye on everything, and all must be known (in advance). To carry out a single proposal it takes months, sometimes years: this slowed down the Company under some aspects. There isn’t a single head that decides: making all agree stretches the time needed. The shareholders’ agreements bind decisions very much: they require majority for important strategic matters, investments, relevant expenditures...”

The leadership style is acknowledged as midway between entrepreneurial and managerial. The personal contribution of every member has been stressed.

S.B.: “Each of us has specific characteristics, and uses them to give their own contribution: for one it is commercial development, for another it is administrative management... Everyone is suited for something, and the Company is taking advantage of it. Thanks to the General Director we started to acquire a more managerial approach. It is fundamental when you want to grow.”

F.R.: “I see leadership as the capacity to listen and being listened to; not imposing but collaborating. With my team I’m working very well.”

The third and last element of the model regarding general organizational resilience is flexibility, considered as result of decision-making and leadership. The present case shows a hybrid configuration, as it appears in the middle of a continuum where at one end we find rigid managerial structures, and at the other end are fluid entrepreneurial practices. It has been acknowledged that more formal structures hinder the firm’s capacity to respond quickly; nonetheless, the key aspect that facilitates resilience here is the closeness of the shareholders to the business. Although organized in different formal roles, every one of them is a vital asset at disposal of the firm, in a fruitful synthesis between entrepreneurial spirit and managerial rigour. The conclusion, therefore, is:

Proposition 4. In family firms, organizational resilience is facilitated by the flexibility coming from its hybrid nature of entrepreneurial and managerial reality.

3.4.5 Long-term orientation

The first aspect we consider in the LTO of family firms, is the transgenerational evolution – how it matured and was carried out – along with the specificity of the contributions by each generation involved. Having this family firm come to the third generation, the transgenerational process was sought, prepared, and evaluated.

S.B.: “Not all the children are active in the firm ... To enter is not granted. We left our children free: only who feels it and is capable enters, there is no vested right. Some meritocracy is needed ... Our consultants made a personal assessment of each child, to identify potentialities in the firm. They, who had accepted, entered and took their specific journey.”

E.B.: “Speaking as third-generation, what dominates is respect toward previous generations. My generation believed in the business value and undertook a journey to acquire the necessary competencies. What we can do as a firm is based on previous generations' desire, work, and sweat ... I would like that the Company was a value for our children, to be brought on from generation to generation.”

F.R.: “The first succession was due to reasons of force majeure, because of the death of the founder parents. For what concerns us, instead, we are committed to show on the pitch that we are capable to manage things autonomously, relieving the shareholders ... We received a lot of training in different areas. A single entrepreneur knows about finance, human resources, and operations. Here many things are split ... the process is at good point but is never completed.”

For what regards the role and contributions of the actual generations involved, the second generation are the owners, while the third generation are the directors and top-tier managers. This division was clearly described as a limit to the freedom of action of the children.

E.B.: “Being the ownership still in the hands of the second generations, to us pertains the development of strategies, but to speak in terms of future has always to be made with respect to the will of the incumbent generation ... The children have power on running and managing the firm, but not on its destiny.”

F.R.: “Our generation is very much bind to the incumbent, because they're all still very active.”

The second aspect of LTO here considered the business families' vision and objectives. We came across different perspectives, each related to the specific role and personal sensitivity of the interviewees. However, in their words the three dimensions of LTO can be acknowledged: futurity, continuity, and perseverance (as illustrated in paragraph 2.4.2).

S.B.: “My dream was to start something unique ... is to remain unique and different, out of the fray ... Fundamental is the high level of quality, to keep put of the last price melee, so that the client recognise our superior value ... cut out a niche in which to be leader ... in order not to be crushed.”

E.B.: “My vision is development and growth ... what counts is continuity: the business must go on ... Since I was a child my entrepreneurial family taught me endurance, courage, the drive to take risks, to bring much into play, otherwise you’ll never grow.”

F.R.: “Previously our objectives were to be leader in the national market of cold chain logistics; in the years 2020-2021 our short-term objective is to survive. Not having a clue of how it will turn out, we prepared budgets and projections with four different scenarios (to tell the uncertainty) ... Now the focus is stability, but two years ago I’d have said growth.”

The scope of such perseverance appears from the following phrase:

S.B.: “I’ve been personally following this potential client for 12 years ... now eventually it seems that we made it.”

We come now to the first element of specific family firms’ resilience. We understand that the typical LTO features play a fundamental role in determining the resilience capability of family firms, especially the perseverance to endure, and the vision to achieve great results. This can be found also in the consideration given to the transgenerational process. This brings us to formulate that:

Proposition 5. In family firms, specific resilience is achieved through long-term orientation, which enables perseverance.

3.4.6 Socioemotional wealth

The impact of SEW in family firms was investigated in the role played by the family in the business and the feelings associated by their members in actively taking part of the firm. About the participation of the family in the business, the issue of the identification between family and business was clearly revealed.

S.B.: “An equal division between the shareholders is the only way: four at 25% each, every family involved weighs one. The roles must be assigned according to the capabilities ... A family member remains in the firm if they have interest and capability ... Some roles necessarily must be assigned to family members, in order to protect our business. For example, the sales management, because the know-how is key and if it leaves the firm, it can destroy it”.

E.B.: “The added value in the presence of the family in the business, is the emphasis and passion, believing in it ... it’s your home, you protect it ... feeling on your skin risks and opportunities, knowing that every bad decision can change your life ... This means greater involvement: having the firm on you always.”

F.R.: “The commitment required in working in ‘your’ firm is equal to that required by your family. You are always thinking to it, night and day ... you might sacrifice your children...”

As it was reasonable to expect, the feelings described by the three interviewees were different, due to the personal experience and situation of each. However, none of them hesitated to express their pride in the firm and their involvement.

S.B.: “The feeling I have is passion ... Being a shareholder makes you strong ... I am proud that we reached the goal we had set ... We became a reference firm in the market ... I am personally very proud that we operate in the ***** industry: behind this or that product there is also our firm ... It makes me proud to have created so many jobs: I am moved when I come in and see all that people working with us.”

E.B.: “I feel part of a family ... I received a great legacy: what is there today was born from sacrifices and risks. Being part of it makes me see the world through the dream of the founders: when someone believes in a project together with others, beyond doubts, sacrifices, and risks, they can reach it ... I feel the emotion of the team: alone one goes nowhere ... The fact that we are more families taught us to share, collaborate, think as a group ... When I see one of our trucks I feel pride, because of the sense of belonging and esteem.”

F.R.: “I feel anxiety – due to the period I am experiencing – given by the overlap of personal and family deadlines ... I am short of breath ... I am proud to have arrived where I am, because my position was not granted: it means great trust from the shareholders ... (proud of) being a reference point for many in the firm.”

In our model of family firms’ resilience, the second element is represented by SEW. In the talks two elements of the FIBER conceptualization (see paragraph 2.4.3) emerged clearly (and together with the previous findings on LTO, all three aspects of the REI scale): they are identification and emotional attachment. These explain the commitment shown by the interviewees, which is a prime enabler of resilience. Then, we can say that:

Proposition 6. In family firms, specific resilience is the effect of socioemotional wealth, through family members’ sense of commitment.

3.4.7 Familiness

We finally examined the concept of familiness, considered as the resources and strengths that are embedded in the business family. We focused on the values pursued by the families in doing business, as they express the influence of the family in dealing with organizational issues and managing resources (capital and governance, as in paragraph 2.4.4).

S.B.: “Our values are respect of others, sacrifice (we never pull away), honesty. They are acknowledged by our clients and partners. The relationship has gone beyond the threshold of supplier-client ...”

E.B.: “Our values are development and growth, honesty, sharing, respect of others’ rights. For example, when we had to change a partner in a Region, we took care that the previous collaborators were included in the new partnership ...”

F.R.: “Our values are to give continuity, give timely responses to our client (they know the owner is behind), willingness (none of us pulls away, at whatever time one may call, we’re there).”

As we can see, although different formulations and accents, what stands out is the importance given to relations, or the social capital described in paragraph 2.4.4. This imprinting is more evident in the following statements:

E.B.: “Our satisfaction is to see satisfied and happy people, thanks to personal and economic well-being ... We see business objectives also in social perspective: our business firm is a social commodity and has a social responsibility in guaranteeing the well-being of everyone involved (employees, suppliers, their families...) ... Behind an EBITDA there is the well-being of a social circuit ...”

F.R.: “My collaborators tell me that here they feel in family. We try to meet their needs because they are my family too.”

Another typical family firms’ characteristic that we believe can be ascribed to familiness, is the investment policy adopted, as a direct consequence of the values driving the way of doing business. In fact, it can be also recognised as a result of the LTO considerations examined above. We chose to address this topic here, though, because it shows the perfect alignment of the various family members involved, thus recalling the influence the family (families) exert on the business issues and policies. In this case, in the tendency to reinvest in the company most part of the profits, we recognise a determinant of the financial strength mentioned in paragraph 3.1.

S.B.: “The rule is that the profits remain in the Company. Every one of us has a pay; only a minimal part of profit is divided, for the most part it remains in the firm to be reinvested.”

E.B.: “The shareholders could choose to remain smaller and have more private properties and well-being, instead always opted for reinvesting in the firm.”

F.R.: “Very little is distributed to the shareholders, almost all is reinvested in the firm: our reserves are very high.”

We identified in familiness the third and last element of the model for specific family firm' resilience: the business family exerts its influence in the values pursued in running the business, which shape the organizational actions and policies. Distinctive familiness features, such as the importance given to relations (social capital) and the investment policy (patient financial capital), show resilience potential when they are expression of strong values of the involved business families. We, therefore, propose as follows:

Proposition 7. In family firms, specific resilience is related to familiness, in the sense of the influence exerted by the family in values and policies.

3.5 Conclusions

3.5.1 A family firms' resilience model

The present thesis aimed at investigating the concept of resilience with specific focus on family firms. Analysing the components of organizational resilience, we investigated on whether family firms hold specific advantages to achieve it. We therefore proposed a specific model resilience for family firms, that is composed of two macro-areas, each comprising three building blocks:

- General organizational resilience: fostered by (a) anticipation and preparedness, (b) attitudes and resources, (c) flexibility and adaptation.
- Specific family firms' resilience: achieved through (d) long-term orientation, (e) socioemotional wealth, (f) familiness.

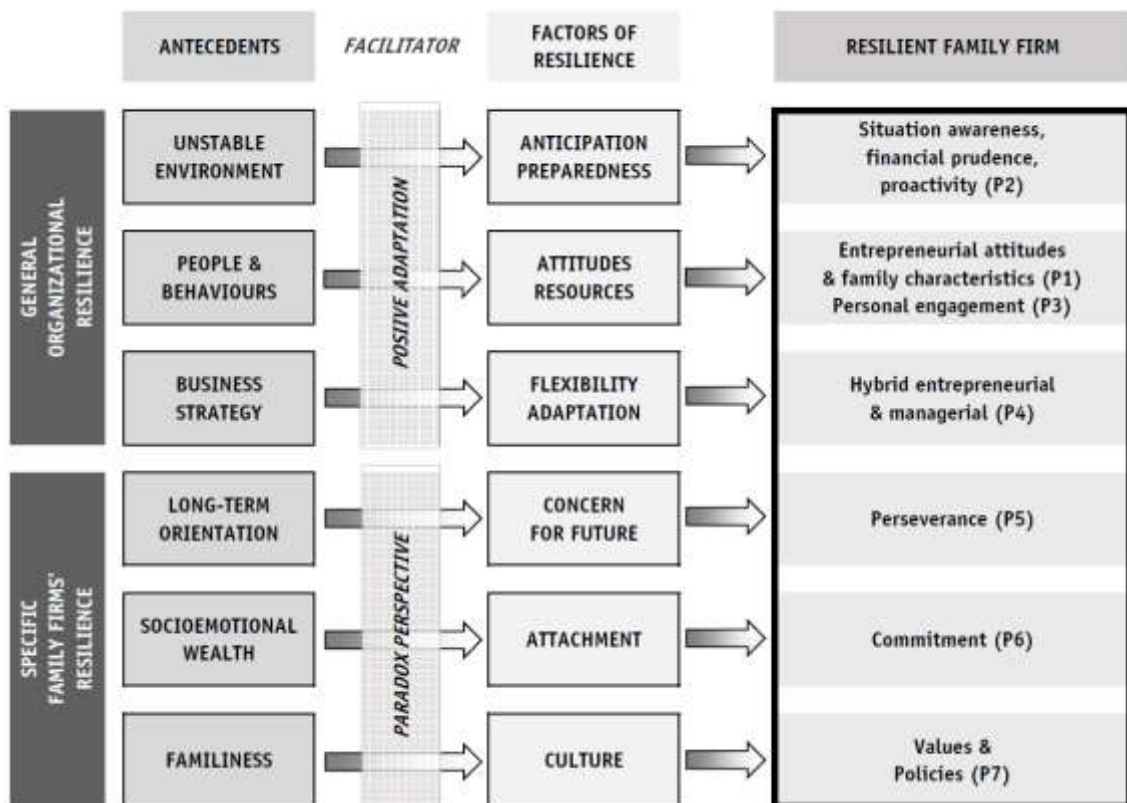
The model was then put in relation to an empirical case study, by the means of semi-structured interviews conducted in a family firm from Northern Italy. The findings of our research are the following. For what concerns general organizational resilience, family firms cope with the exposure to an unstable environment and disruptions through

situation awareness, financial prudence, and proactivity (P2); resilient behaviours are an effect of the entrepreneurial attitudes and characteristics of the business family (P1), as well as the personal engagement of family members (P3); finally, the hybrid configuration of family firms as both managerial and entrepreneurial allows for business strategic flexibility .

For what concerns specific family firms’ resilience, it is achieved through perseverance as an effect of long-term orientation (P5), through high commitment thanks to socio-emotional wealth (P6), and through business family’s influence in values and policies (P7).

Figure 3 integrates the combined elements and of the family firms’ resilience model with the findings of the interviews. Compared to the model derived from the literature review, it appears that, for achieving resilience in family firms, decisive are those bivalent elements deriving from the overlap between family and business, not only in the area of “specific family firms’ resilience”, but also in the area of “general organizational resilience”.

Figure 3 Family firms’ resilience model.



Source: Personal elaboration.

3.5.2 Limitations and further research

Although the firm selected for the present work bears several aspects of interest, it constitutes a single case study, which does not allow to straightforwardly generalize the findings in order to define a sort of golden rule for the correlation between family firms and resilience. In fact, being family firms as different from one another as families themselves, the model proposed could be further explored with a wider array of empirical examples, to better understand resilience dynamics in family business and to verify the general validity of our assumptions.

The second limitation in our research is the fact that only three family members were interviewed. Although each one of them belongs to one of the kins controlling the firm, their different ages, work experiences, personal journeys and roles in the company affect their comprehension of both the firm and resilience. A more complete investigation with all the family members, who are and have been active in the firm, as well as key non-family employees, would contribute to a richer and more thorough perspective of the specificities of the case in exam, allowing to harvest more results.

The limited scope of our research is also evident in the absence of a comparable non-family firm that could act as counterpart. In future research, the very elements composing the resilience model here proposed could be investigated on samples of family and non-family firms, in order to investigate possible affinities or divergences in the resilient outcomes of the two types of enterprises.

Lastly, the role played in the model by the cultural element could be at least in part affected by the broader culture of the social and demographic environment, as an effect of the Region and Country in which the firm is located. A cross-country investigation with cases spread globally could reveal more complex relationships between family influence and resilience.

APPENDIX A: ORIGINAL INTERVIEW PROTOCOL

La resilienza delle imprese familiari.

Il progetto di tesi da me condotto e promosso dall'Università degli Studi di Padova (prof.ssa Alessandra Tognazzo) ha lo scopo di indagare la resilienza delle imprese familiari.

L'intervista mira a comprendere:

- 1) la considerazione e l'implementazione di pratiche che facilitano la resilienza aziendale nei confronti di crisi ed eventi negativi;
- 2) la relazione fondamentale che la resilienza delle imprese familiari ha con gli elementi caratteristici di questo tipo di azienda.

Le faremo alcune domande per capire la Sua opinione legata a questo tema.

Se Lei è d'accordo, durante l'intervista effettueremo una registrazione e prenderemo alcuni appunti.

Le assicuriamo che le informazioni da Lei fornite, verranno trattate in modo anonimo solo ai fini della tesi, nel rispetto della Legge sulla Privacy D.Lgs 196/2003.

La ringraziamo per la cortese disponibilità.

Data _____

Firma dell'Intervistato

Firma del Ricercatore Universitario

0. Domande preliminari

- Qual è il suo ruolo in azienda e come si è evoluto?
 - Quando è entrato attivamente in azienda?
 - Quali ruoli ha ricoperto finora?
 - Quali esperienze professionali ha fatto prima?
- Cosa vuol dire per Lei resilienza ed essere resilienti?
 - Pensa che la Vostra sia un'azienda resiliente?

1. Resilienza dell'organizzazione in generale

1.1. Anticipazione e Preparazione

- Cosa vuol dire essere pronti ad affrontare una crisi?
 - Quali sono stati gli ambiti sensibili che avete considerato in passato?
 - Quali sono gli ambiti di esposizione da tenere sotto controllo ora? Quali sfide vedete oggi all'orizzonte?
- Quali strategie sono state pianificate e implementate?
 - Come viene valutata l'esposizione a rischi (con che cadenza, in modo strutturato o no)?
 - Come viene fatta la verifica di strategie e risultati? Ne avete discusso anche solo informalmente?

1.2. Atteggiamenti e Risorse

- Quali crisi / eventi negativi a forte impatto avete sperimentato nel vostro business?
 - Come ha reagito la famiglia (nei suoi singoli membri e come gruppo) alla crisi? E i dipendenti e collaboratori non familiari?
 - Dove avete cercato soluzioni, su cosa avete fatto leva per uscirne?
 - Quale ritiene sia stata l'ancora di salvezza che vi ha fatto resistere e recuperare?
- Cosa è stato concretamente fatto per rendere l'azienda più pronta a rispondere ed ottenere migliori risultati, meno esposta ai rischi e più forte?
 - Sono state acquisite nuove risorse o sviluppate internamente per raggiungere tale scopo? Cosa manca ancora?

1.3. Flessibilità e Adattamento

- Come avviene il processo decisionale per le scelte strategiche?

- Chi prende le decisioni? Quando si ricerca l'unanimità e quando invece si asseconda la forza di un singolo decisore?
- Come viene coinvolta la famiglia (membri attivi e non) nelle decisioni importanti inerenti al business?
- Come avvengono le comunicazioni relative agli affari aziendali tra i membri della famiglia attivi? E verso i collaboratori non familiari?
 - Si ricorre più a dinamiche formali o informali?
- Come viene esercitata la leadership?
 - Quali decisioni sono centralizzate e quali vengono delegate a livelli inferiori?
 - Come viene condivisa, promossa e assimilata la visione aziendale nei dipendenti e collaboratori? Come viene stimolato e valutato il loro coinvolgimento?

2. Long-term orientation

- Qual è stata l'evoluzione della famiglia imprenditrice (considerazione e prospettiva del business)?
 - A cosa hanno contribuito e contribuiscono le varie generazioni coinvolte?
 - Ci sono prospettive diverse / conflittuali tra le generazioni attualmente coinvolte?
 - Quali eredità sono un peso da lasciare e quali un tesoro da capitalizzare?
- Come è maturata la considerazione di generazione in generazione (desiderio di coinvolgere i figli, volontà di passare il testimone)?
 - Quali azioni sono state introdotte per preparare il passaggio generazionale? A che punto è oggi il processo di successione tra le generazioni?
- Quale visione avete per la vostra azienda e la vostra famiglia imprenditrice?
 - Qual è l'orizzonte temporale della vostra programmazione strategica?
 - Che obiettivi vi siete dati per il prossimo periodo?
- Come vengono considerate la stabilità aziendale, la crescita degli affari, il mantenimento del mercato? Quale "pesa" di più?
 - Quali sono i partner strategici che fanno parte imprescindibile della vostra storia?

3. Socioemotional wealth

- Come valuta la presenza della famiglia nell'azienda (quote di partecipazione, posti chiave occupati, azioni e scelte di gestione compiute)?
 - Come la modificherebbe?
 - Come sono le relazioni tra i membri delle famiglie attivi in azienda?
- Guardando al futuro, per il bene dell'azienda sarebbe meglio “rimanere in famiglia” oppure puntare su cavalli vincenti extra famiglia?
 - In quali ambiti?
 - E per il bene delle famiglie coinvolte varrebbe lo stesso discorso o cambierebbe?
- Cosa vuol dire essere parte di un'azienda familiare come la vostra?
 - In cosa si sente realizzato facendone parte attivamente?
 - Ha sempre desiderato farne parte o c'è stata un'evoluzione personale?
 - In cosa si identifica dell'azienda e da cosa invece vorrebbe prendere le distanze?
 - Come metterebbe in relazione l'immagine, l'unità ed il benessere della famiglia con l'azienda?
 - E il benessere dei singoli membri?
- Quali sono i sentimenti (positivi, negativi, misti) che associa al far parte dell'azienda?
 - Quanto conta per Lei l'elemento affettivo nei confronti dell'azienda? Lo percepisce come una forza o una debolezza?
 - Come reagisce all'idea di cedere l'azienda ad altri compratori o di passarla alla prossima generazione?
- Di cosa potete andare fieri come azienda e come famiglia imprenditrice?
 - Cosa ha dato la famiglia all'azienda e cosa l'azienda ha dato alla famiglia?
 - Cosa perderebbe l'azienda senza la famiglia e cosa perderebbe la famiglia senza l'azienda?

4. Familiness

- Quali sono i vostri valori come famiglia imprenditrice?
 - Come vengono espressi effettivamente nell'azienda e trasmessi ai collaboratori e dipendenti non familiari?
 - Vengono riconosciuti e condivisi da dipendenti e partner strategici?

- In cosa vi distinguate e “si vede” la (vostra) famiglia, nel portare avanti il business e nelle relazioni con dipendenti e partner strategici?
 - Aspetti positivi e negativi?
 - Cosa hanno e danno in più all’azienda i membri della famiglia attivi, rispetto agli altri dipendenti e collaboratori?
 - Cosa ricevono in più i dipendenti e collaboratori non familiari dal fatto di far parte dell’azienda della vostra famiglia?
 - Quali legami hanno con il territorio e la comunità l’azienda e la vostra famiglia?
- Cosa significa essere leali all’azienda ed alla famiglia?
 - Che supporto riceve l’azienda da parte dei membri della famiglia attivi e non?
 - Con che criteri avviene l’assegnazione di ruoli chiave a familiari e non?
 - Che considerazione avete dei dipendenti e collaboratori non familiari? Ci può fare degli esempi?
 - Quanto conta la coesione e la condivisione di valori e visione tra membri della famiglia attivi e con i dipendenti e collaboratori non familiari?
- Come vengono pianificati gli investimenti (criteri, risorse)?
 - Avete definito una politica per quanto concerne la distribuzione ed il reinvestimento degli utili in azienda (una regola aurea) oppure viene valutato di anno in anno sulla base delle esigenze contingenti?

La ringraziamo per la Sua disponibilità, l’intervista è finita.

APPENDIX B: ENGLISH TRANSLATION

Family firms' resilience.

The thesis project that I conduct and that is promoted by the University of Padua (prof.ssa Alessandra Tognazzo) aims at investigating the family firms' resilience.

The interview's goal is to understand:

- 1) the consideration and implementation of actions that facilitate organizational resilience toward negative events;
- 2) the fundamental relationship that family firms' resilience has with the characteristic elements of this kind of business enterprise.

We are going to make you some questions in order to understand your opinion related to this topic.

If you agree, during the interview we will record it and we will take some notes.

We assure you that the information that you are going to provide will be treated anonymously with respect to the D.Lgs 196/2003 privacy law.

Thank you for your time

Date _____

Interviewee's signature

University Researcher's signature

0. Introductory questions

- What is Your role in the firm and how did it evolve?
 - When did you entered actively in the firm?
 - What roles have You covered so far?
 - What professional experiences did You have previously?
- What does it mean to You resilience and being resilient?
 - Do You think that yours is a resilient firm?

1. General organizational resilience

1.1. Anticipation and Preparedness

- What does it mean to be ready to tackle a crisis?
 - What are the sensitive issues that You considered in the past?
 - What are the issues to keep under control now? What challenges do you see now at the horizon?
- What strategies have been planned and implemented?
 - How is evaluated the risk exposure (with which schedule, in a structured or un-structured way)?
 - How are strategies and results verified? Did you discuss about them even just in-formally?

1.2. Attitudes and Resources

- What crisis / negative events with severe impact did You experienced in your business?
 - How did the family react (its single members and as a group) to the crisis? And the non-family collaborators and employees?
 - Where did You search for solutions, on what did You leveraged to get out of it?
 - What do You think has been the safety net that made You resist and recover?
- What has been practically done to make the firm more ready to respond and achieve better results, less exposed to risks, and stronger?
 - Were new resources acquired or developed internally to reach such goal? What is still missing?

1.3. Flexibility and Adaptation

- How does the decision-making process occur?

- Who makes the decisions? When is unanimity sought and when is the force of single decision-maker indulged?
- How is the family involved (active and non-active members) in important business-related decisions?
- How do the business-related communications occur between the active family members? And toward non-family collaborators?
 - Do You make more use of formal or non-formal dynamics?
- How is leadership exerted?
 - What decisions are centralized and what are delegated to lower levels?
 - How is shared, promoted and assimilated the business vision in employees and collaborators? How is their involvement boosted and evaluated?

2. Long-term orientation

- How was the evolution of the entrepreneurial family (business consideration and outlook)?
 - To what contributed and contribute the various generations involved?
 - Are there different / conflicting perspectives among the generations currently involved?
 - Which legacies are a burden to leave and which a treasure to capitalize?
- How is the transgenerational consideration evolved (desire to involve the children, willingness to pass the baton)?
 - What actions have been introduced to prepare the transgenerational passage? At what point is today the transgenerational succession process?
- What vision do You have for your firm and for your entrepreneurial family?
 - What is the time horizon of your strategic planning?
 - What objectives have You given yourselves for the next period?
- How are enterprise's stability, business growth, and market preservation considered? What "weighs" more?
 - Which are the strategic partners that take essential part in your history?

3. Socioemotional wealth

- How is the presence of the family in the firm evaluated (shares, key roles, management actions and choices)?

- How would You modify it?
- How are the relations between the families' members active in the firm?
- Looking at the future, for the good of the firm would it be better to “remain in the family”, or to bet on right horses outside the family?
 - In which areas?
 - And for the good of the involved families would it be the same thing, or would it be different?
- What does it mean to be part of a family firm like yours?
 - In what do you feel fulfilled by actively taking part in it?
 - Have you always desired to take part of it, or was there a personal evolution?
 - In what do You identify with the firm and from what instead would You like to distant yourself?
 - How would You put in relation the family image, wellbeing, and unity with the firm?
 - And the wellbeing of the single members?
- What are the feelings (positive, negative, mixed) that You associate to being part of the firm?
 - How much does it matter to You the affective element toward the firm? Do You perceive it as a strength or as a weakness?
 - How do You react to the idea of selling the firm to other purchasers, or of passing it to the next generation?
- Of what could you be proud as a firm and as an entrepreneurial family?
 - What did the family give to the firm and what did the firm give to the family?
 - What would the firm lose without the family and what would the family lose without the firm?

4. Familiness

- What are your values as an entrepreneurial family?
 - How are they actually expressed in the firm and transmitted to non-family collaborators and employees?
 - Are they acknowledged and shared by employees and strategic partners?
- In what do You stand out and is your family “evident”, in making business and in the relations with employees and strategic partners?

- Positive and negative aspects?
- What do active family members give to the firm more than other employees and collaborators?
- What do non-family employees and collaborators receive more from being part of your family's firm?
- What bonds do the firm and your family have with the territory and the community?
- What does it mean to be loyal to the firm and the family?
 - What support does the firm receive from the active and non-active family members?
 - With what criteria takes place the assignment of key roles to relatives and non-relatives?
 - What consideration do You have of non-family employees and collaborators? Could you please exemplify?
 - How much does it matter cohesion and sharing of values and vision among active family members and with non-family employees and collaborators?
- How are investments planned (criteria, resources)?
 - Did you define a policy for what concerns profits distribution and reinvestment in the firm (a golden rule), or is it evaluated from year to year according to contingent needs?

Thank You for your time, the interview is over.

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