

# Transgenerational Entrepreneurship in Chinese Family Businesses: Proposal for a Model of Work-Life Synergy

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**Abstract**—Family business are the dominant form of business in the world, and Chinese family business (CFB) is a unique type of family business that relies on collective action to survive. This paper argues that in CFBs, entrepreneurial actions are transgenerational collective endeavors, and successors are groomed as stewards of the family legacy. Work-life relationship in CFBs is about synergy and not balance because the family identity is the business identity, and vice-versa. Using five in-depth case studies, this research introduces an alternative understanding of CFBs and proposes a model of work-life synergy in transgenerational entrepreneurship based on discussion of five theory-based propositions. This model explains that through emphasizing on the business family's shared value and entrepreneurial legacy, elements of trust, shared identity and stewardship of family members are enhanced which leads to collective action and goal of the business family, resulting in transgenerational entrepreneurship. Limitations and future research are presented.

**Keywords**— Chinese family business, family legacy, stewardship, transgenerational entrepreneurship, work-life synergy.

## I. INTRODUCTION

ALTHOUGH Family Business (FB) have been existing for thousands of years [1], in the 21<sup>st</sup> century, FB is still a dominant form of enterprise all over the world with an estimate of between 65% and 80% worldwide [2]. Besides being the dominant business form in the world, two additional issues have served to raise the research interest in FB. First, the distinctive reciprocal relationships between the family and business [3]; as in FB, family and the business are inseparable, in ways in which “family dynamics can intrude in business relationships” and “business pressures can overload and burn out family relationships” [4, p. 3]. Secondly, contraire to other forms of business, FB does not just focus on developing economic value, but on perpetuating a family legacy [5]. Thus FB often seeks to operate in a form that will ensure the survival through generations, even when this comes to the cost of optimizing profits. In short, FB operate under the premises of sustainability through a synergetic relationship between business operations and lifestyle.

Yet understanding FB is not an easy task, in particular when considering the work-life relationship of the entrepreneur. Recent research has shown an increasing focus on studying the

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effect of families on entrepreneurship, such as entrepreneurs' work-family balance and family support to entrepreneurs [6]-[8]; and entrepreneurs' parents' impact on next generations' entrepreneurial intention [9], [10]. These works relay on two assumptions. First, it presumes that the entrepreneurial action is undertaken by a particular individual family member with the support of the family, and thus ignoring instances of collective entrepreneurship supporting and informing transgenerational efforts. Second, it advances that the ventures and the family belong to two distinctly different domains that are in constant competition with each other and need to be balanced, hence ignoring families with entrepreneurial lifestyles.

The inability to understand families acting as a collective where the venture itself is the lifestyle of the family, may limit our ability to conceptualize transgenerational entrepreneurial arrangements in contexts dominated by collective cultures with multigenerational planning horizons, such as the Chinese society. In these environments, heirs rely on strong collective social capital, such as *guanxi*, to ensure their successful transition into leadership roles. Thus, here, work-family environments are not two distinctive domains competing against each other but a single space of collective identity and socializing. This is particularly important as the leadership role in these contexts is not as much a profit maximizer as a guardian of the family heirloom; thus putting profits second to collective sustainability efforts.

The main objective of this study is to explore how family entrepreneurship in collective cultures, like the Chinese, may allow for transgenerational entrepreneurship actions. Using as a framework the concepts of altruism and stewardship in FBs, this paper explores how an alternative understanding of life-work relationship may contribute to the long-term commitment and shared value that allow the venture to become a family legacy for future generations. The argument is that the ties that already existed in families, built on factors including trust, norms and obligations [11], are also present as the scaffold of the FB. These also enhance the external relationships of FBs which are developed through generations of social capital accumulation. In a Chinese society where relationships “*Guanxi*” is a natural manifestation of Confucianism, the underlying philosophy that is the fabric of Chinese society” [12, p. 270], family ties are especially strong and so it could be said that CFBs enjoy a higher level of social capital compared to their non-family counterparts.

The following sections review current theories in FBs' stewardship, and altruism, stewardship, legacy and social

capital in CFBs. Frame in this context, a series of propositions is explored with five case studies looking into issues of heirs, succession, and FB. From the case studies, a model of work-life synergy in the development of family-entrepreneurs is proposed. Finally, this paper concludes with the limitation of this research and implication for further studies.

## II. THEORETICAL BACKGROUND

The inseparability of the family and the business have been considered as the source of lack of business financial capabilities due to family financial demands [13]; conflicting goals as a result of competing needs and values between the management, ownership and family [14], [15]; and causes of conflicts at different levels of the family and the firm [16]. As a result, FBs have been considered as stagnant and conservative, and do not often behave entrepreneurially [4].

However, the close connection between the family and the business is also credited as contributing to the high degree of commitment and dedication of business leaders, as well as from family and non-family employees, and their focus on continuity and long-term goals [4], [17]–[21]. Due to family pride and family tradition, FBs tend to have high degree of commitment to achievement [22]. They also tend to invest in long-term relationships with both internal and external stakeholders which create valuable social capital [23]–[25], these family relationships have also been credited as being able to increase motivation, trust and loyalty [15], leading to the involvement of family members and stakeholders which enhances competitiveness and innovativeness [20], and promote entrepreneurship [26].

### A. Stewardship of the FB

FB are considered lifestyle operations. FBs do not just focus on developing economic value, but on perpetuating a family legacy [5], one that could survive through generations. In that sense, FB are not viewed just as traditional businesses that can be understood or explained with mainstream business theories, instead, the involvement of the family has to be incorporated in understanding this unique kind of organization [5]. This tight relationship between the family and the business leads to a high level of stewardship which nurtures the FB for the future of generations of family members to come [19], [27], [28], [21]; in fact, “the continuity in a family company depends on instilling a sense of stewardship in every generation [...] as stewards, their responsibility is to pass on to their descendants a company that is even stronger and more admired than the one that was vouchsafed to them by their elders” [29, p. 9]. The stewardship within FBs may create competitive advantages from the “collectivistic attitudes, psychological commitment, and trustworthy behaviors” of family members, which contributes to the family firms’ ability to engage in entrepreneurial endeavors [30, p. 350]. Moreover, Eddleston et al. [30] found that comprehensive strategic decision-making, long-term orientation and family-to-firm unity as results of stewardship of family members are positively correlated to corporate entrepreneurship; further emphasizing the entrepreneurial potential of FB in a collective sense.

### B. Chinese FB

CFBs are understood as FBs operated through a Chinese dominant culture, which results in unique managerial practices. When analyzing the success of CFBs, Gatfield and Youseff [31] identified some unique management procedures in CFBs, including the lack of formal human resources practices, a share understanding that operations are “run for the long-term prosperity and longevity of the family” [31, p. 155], intrinsic employee motivation driven by a collectivist notion of success for the future, the significant role of faithfulness in employee performance appraisal, and their authoritarian control of the firm.

Aside from their characteristic management practices, the CFBs possess a cultural distinctiveness that make them unique and worth considering independently from Western FB. These unique cultural characteristics permeating the operations of CFBs include familism, nepotism, authoritarianism, frugality, hard work, *Xingyong* (reliability and trustworthiness) and distrust of non-family members [32], [33]. Although these features seem to support what some authors such as Redding and Fukuyama termed ‘restricted growth view’ [34], [35], meaning that the growth of CFBs is limited because of their intrinsic cultural features according to Zheng [36], other researchers such as Tan and Fock [32] have advanced that this might not be necessarily the case. Accordingly, it is identified that the failure of CFBs, because of their interconnectedness in the Chinese cultural system was over-exaggerated [36].

Further exploring the cultural uniqueness of CFB research has focused on Guanxi [12] as the intersection of social capital in the form of trust, and loyalty [15]. As such, the presence and nature of trust in CFBs has been found to be culturally unique. Moreover, the importance of trust in CFBs was further emphasized by Lee and Tan as they stated that “without trust, it is difficult to do business because all business on credit is carried out only among those who are familiar with each other” (p. 68), and one of the common shared values of trustworthiness is implicitly known to all members of CFBs [37]. Furthermore, it is also understood that all members of the CFB “share a common culture and direction, exercising cordial relationships and consideration for one another rather than acting competitively within the organisation” [31, p. 153], and therefore CFB owners enjoy the flexibility that stems from the low-structuring of activities such as a lack of job specialization and high valued for adaptability [31], and lack of written policy and procedures [37]. These type of business practices have been credited to the Confucian values that permeate Chinese management and organizational behavior, including filial piety, loyalty, duty, conscience, harmony, consensus, reciprocity, trust and sympathy [38], and that the values of loyalty and filial piety are strong within family firms which are extended outside the family to include non-family members of the CFBs [38]–[40].

### C. Altruism and Stewardship, and Family Legacy in CFBs

As part of its cultural uniqueness, CFBs rely on guanxi, trust, and loyalty, the presence of altruism and stewardship in their everyday business context to survive. Yet this cultural

uniqueness of CFBs remains unexplored. Altruism is conceptualized as the disinterested and selfless concern for the well-being of others. In the context of CFB, altruism is presented as putting the well-being of the collective ahead of the profits and self-fulfillment. Stewardship is referred to as the responsible planning and management of resources to ensure a sustainable outcome. Thus, stewardship under the CFB framework may be best understood as operating the business to ensure its survival rather than the pure maximization of profits. Altruism and stewardship are strong in CFBs and contribute to the long-term commitment and shared values, as well as, collective goals that allow the family to perpetuate its legacy for future generations. Due to the ties that already existed in families, FBs enjoy strong internal relationships that are built on factors including trust, norms and obligations. These also enhance external relationships which are developed through generations of social capital accumulation. In a Chinese society where relationships “*Guanxi* is a natural manifestation of Confucianism, the underlying philosophy that is the fabric of Chinese society” [12, p. 270], family ties and loyalty are especially strong and so it could be said that stewardship is central to CFBs.

The presence of altruism and stewardship in CFBs helps to blur the boundaries between family and business. This results in a culturally different business space where there is no life-work balance but life-work synergy; thus, bringing a high level of family-to-business enrichment and family-business support due to high involvement of family members as a result of their tight relationship. This presents a condition where the business and family identity are seen as one and the same by the family members and the outsiders alike. Furthermore, business decisions are not done by a single-entrepreneur thinking of the business, but by the family together as a collective whole taking into account their collective well-being and their legacy to the future generation. As such, the idea of entrepreneurial teams form by family members in family firms [41], [42] better explain entrepreneurial activities in CFBs. However, due to the culture of filial piety, loyalty and duty in CFBs [38], there is a higher chance the Chinese families work in one collective team instead of deriving into entrepreneurial teams for portfolio of new ventures as in Cruz, Howorth and Hamilton’s cases. Furthermore, while Jaskeiwicz, Combs and Ray’s (2015) theory of entrepreneurial legacy explains how transgenerational entrepreneurship can be nurtured through rhetorical reconstruction of past entrepreneurial achievements to motive next generations’ entrepreneurial endeavors [43], in the case of CFB, the family’s shared family history and values not only motivate selected successors, but all family members as a collective family-entrepreneur.

#### *D. Research Problem and Propositions*

CFBs are a unique type of business operations, where work-life co-exists in a space of cultural synergy as the identity of the family is the business and the business is the identity of the family. Furthermore, concepts of sustainability are replaced by ideas of legacy and well-being of future generations. Managers are stewards of the family’s legacy and any

entrepreneurial actions are undertaken as a collective action by all members of the family. Accordingly, the following propositions are developed:

- 1) Shared value enhances trust among members of Chinese business families.
- 2) Entrepreneurial legacy enhances the CFB identity of family members.
- 3) The shared identity of family members leads to high level of stewardship.
- 4) High level of trust and stewardship among family members of CFBs lead to collective goal and action across generations.
- 5) Entrepreneurship in CFBs is a collective family endeavor as a result of collective goal and action.

Informed by these propositions, a model of work-life synergy as an alternative understanding of transgenerational entrepreneurship is proposed. This alternative model suggests that in CFBs, entrepreneurship is best understood as a collective action of stewardship sustained by a shared understanding of collective identity where the family and business are one rather than an individualistic undertaking as presented in the Western literature.

### III. METHODS

This research uses a comparative case study method looking at different companies in different industries owned and run by different families. This approach allows for generalization purposes in theory building, as each case is considered an unusual phenomenon of successful intergenerational succession of the FB and entrepreneurial endeavor [44]. To further support the theory building, a multi-methods approach was used to capture and triangulate data to ensure reliability and validity [45].

Overall, this project relies on a multiple-case design for comparative and generalization purposes. In order to follow the replication logic for multiple-case study [44], [45], criteria was set for choosing the sample for the five in-depth cases of FB in different industries in Macau. Main sources of data included in-depth semi-structure interviews as well as ethnographic observations. Primary data was complemented with secondary sources including online media, news articles, and archival interviews with CFB leaders.

#### *A. Sample and Procedures*

This research includes five cases, and for each case, data are collected from in-depth interviews with the successor and the incumbents (whenever possible). Additional data included open ended interviews with family members and/or non-family staff, secondary data from websites, news and published interviews with FB leaders, and observations which are conducted on the premise of CFBs. It is worth to reiterate that FBs, for the purpose of this study, means that the family both owns and operates the enterprise. Thus, instances where the family only owns the business considered as investment portfolios are not included here. The cases chosen have to meet the following criteria:

- (1) The business has to be managed by at least two generations

of family members. That is, with the successor at least currently in the early succession stage assuming management responsibilities, while the incumbent is at the retiring stage.

- (2) Local (Macau) Chinese small-to-medium enterprises (SMEs) started in Macau with the owning family holding the majority of shares.
- (3) The incumbents are the parents of the successors. This criterion was set because there are cases where the children refuse to join the FB and the parents have to hire

non-family managers while the families still own the company.

- (4) Availability and willingness of current leaders, at least the successor, to partake in the research and to consent to in-depth interviews which would inquire into their family lives and relationships with family members and non-family staff.
- (5) Innovative effort has been made within the business, as this research attempts to study the decision process of entrepreneurship within the family firm.

TABLE I  
CASES OVERVIEW

	Case 1	Case 2	Case 3	Case 4	Case 5
<b>Business sector</b>	Auditing	Souvenir	Wholesale/ distribution	Jewelers	Food and Beverage
<b>Founding year</b>	1979	1935	1975	1983	1965
<b>Generation</b>	1 <sup>st</sup> and 2 <sup>nd</sup>	2 <sup>nd</sup> and 3 <sup>rd</sup>	1 <sup>st</sup> and 2 <sup>nd</sup>	1 <sup>st</sup> and 2 <sup>nd</sup>	2 <sup>nd</sup> and 3 <sup>rd</sup>
<b>Industry</b>	Auditing	Souvenir	Trading	Jewelers	Food and Beverage
<b>No. of staff</b>	25 ~ 30	Over 200	Around 50	Over 200	Around 25
<b>Age of incumbent</b>	Early 60s	Early 80s	Early 60s	Early 70s	Mid 60s
<b>Age of successor</b>	Early 30s	Late 40s	Early 30s	Early 40s	Late 30s
<b>Incumbent/ successor relations</b>	Father / Eldest son	Father / Third son	Father / Youngest son	Father / Eldest son	Father / Son
<b>No. of siblings of successor</b>	1 sister	3 brothers / 3 sisters	1 sister	2 brothers	1 brother / 2 sisters
<b>Relatives of successor working in the family firm</b>	Father & mother Aunt (Father's sister) Uncle (Mother's brother)	2 sisters	Father & mother	Father & brother	Wife, brother and sister-in-law Two sons
<b>Innovation / entrepreneurial endeavor</b>	New venture for business diversification	Product innovation / Investment in branding	Process innovation	Process and market innovation	Product innovation

The five cases that agreed to participate in this project are all fathers and sons succession. This is consistent with the business environment in Macau, and the rest of China where, most of CFBs rely on father and son succession. This male-lineage succession preference might be a result of the Chinese male-culture where the father is expected to pass on the FB to the eldest sons. Yet, this culture base explanation, advanced in the Western literature as a universal truth for the Chinese context, seems to be true only for Case 1 and Case 4 in this project. Whereas in the other three instances, the choice of successors is not top down selection (father choosing son) but bottom up choice (son requesting to continue the family legacy). This alternative bottom-up selection process of successor along with its ideas of guardianship of the family tradition, reiterate the need for further understanding of CFBs. Table I gives an overview of the five cases.

The data was collected over a period of one year. All data was captured in Cantonese and interpreted in that language to prevent miss-interpretations because of translation. After the initial analysis was done in Chinese, a translation took place where cultural contexts were used to interpret the interviews and their contexts. For each of the five cases, two core interviews were conducted, one with the incumbent (the father) and one with the successor (the son taking over leadership position in the business), and each interview was around 90 minutes to 120 minutes. The interview started with basic information about the interviewees, their age, education

background, number of children and/or siblings, number of children/siblings working in the CFB, number of employees in the firm and founding year of the CFB. After that, open ended questions were asked about the founding history of the firm, and probing questions were asked directed to explore how the FBs overcome difficult times such as the SARs and the financial crisis in 2003. Questions about the FB's history were asked to both fathers and sons in order to verify the existence of entrepreneurship legacy, the sharing of the FBs entrepreneurial history. Then, a series of questions related to decision making, solving of conflicts, relationship between members, and tradition and practice were asked both about the family and about the FB. Aside from the transcribed interviews, the interviewer also conducted observations either during the interviews if they were carried out at the premise of the CFBs, or for two of the cases (which are retail and F&B outlets), where interviews were conducted inside an office, additional visits were made to the outlets where business was carried out to observe the dynamics among family members and staff.

In addition to the core interviews and observations, two to four additional informal interviews were conducted with stakeholders of each case, including family members, employees, customers, business associates, and business intermediaries, to verify points or to give opinions about the business families.

#### IV. DATA ANALYSIS

In order to explore the level of altruism and stewardship within the five cases of CFBs and their relationship with collectivist action, and effect on entrepreneurship effort, indicators of internal bonds and contributing variables were identified when analyzing the data collected through in depth interviews. The technique of qualitative content analysis is applied to analyze the data from the in-depth interviews as the data are obtained from narrative responses to open-ended questions through interviews, and the analysis “goes beyond merely counting words to examining language intensely for the purpose of classifying large amounts of text” into categories [46, p. 1278]. So, instead of coding for specific words or generating synonyms, evidence of variables according to the propositions formed as a result of the literature review was looked for. These variables include: shared value, entrepreneurial legacy, family and business identity, trust, stewardship and collective goal and action.

The process began with an overview of the transcript (in Chinese) where key ideas or activities related to family relationship are highlighted and translated to English for categorizing. The codes are then categorized under the variables to support the propositions. Data from the core interviews are then cross-checked for support from secondary data, observation notes, and informal interviews.

#### V. FINDINGS AND RESULTS

From these case studies, there is evidence of transgenerational collective action, in which members of the business families act as stewards to safeguard the CFBs as legacy for future generations. Entrepreneurial actions were a result of the family’s collective goal of the long-term development of the CFBs for future generations instead of current profitability. There is also evidence that this high level of stewardship is a result of the shared identity that “*the business is a part of the family and belongs to everyone in the family,*” according to the successor of Case 3, “*not my dad’s, and not mine*”. Table II summarizes evidence from each of the cases supporting the five propositions.

##### *A. Proposition 1: Shared Value Enhances Trust among Members of Chinese Business Families*

According to Pearson, Carr and Shaw [47], shared value in the forms of shared purpose, vision, and language can lead to collective trust and norms. In all the cases from this study, the purpose of the CFB and the vision of the family for the firm is shared by family members, even those who are not involved in the CFBs. This leads to the high level of trust they have in each other when it comes to business decisions, believing that by abiding to the values of the family firms, even when the business leader is not seen as exceptional in terms of leadership qualities, as in the situation of Case 5, the family would support the decisions because it is for the family. As explained by the sister of the successor in Case 5:

Big brother (the successor) is not a very outgoing person, and does not have much authority over the senior employees. But when he becomes the leader, my second

brother and myself would be there to support him. My second brother has better ideas and has connections; as a family, I believe we work together; the burden will not be big brother’s alone.

And when asked what if her Big brother made the wrong decision that affected the CFB, the interviewee expressed that:

We would tell him, and he would trust us to discuss together and solve the problem together.

It could be said that the shared understanding of the value of the CFBs, as well as, the family values, forms a protective shield around members of CFBs where all members could trust and depend on each other. Thus, supporting the proposition that shared value enhances trust among members of Chinese business families.

##### *B. Proposition 2: Entrepreneurial Legacy Enhances the CFB Identity of Family Members*

Entrepreneurial legacy, introduced by Jaskiewicz, Combs and Rau [43], is defined as ‘the family’s rhetorical reconstruction of past entrepreneurial achievements or resilience’ (p. 29). To identify the level of entrepreneurial legacy within the CFBs in our studies, both the incumbent and successor of each case were asked to tell the founding story of their CFBs. All five successors, and even other family members who were informally interviewed, recalled the same success stories of the founding of the family firms and stories of overcoming hard times. Moreover, they claimed that they have heard the stories many times from their father. In two of the cases, the successors are third generation, and their fathers heard the stories from the previous generations. From observation, the family members are all proud of their history and thus identify with the CFBs. In fact, three of the five successors claimed that they and their siblings were born into the CFBs, and thus, feeling they have always been part of it. These supports the proposition that entrepreneurial legacy enhances the CFB identity of family members.

##### *C. Proposition 3: The Shared Identity of Family Members Leads to High Level of Stewardship*

Because of the strong identity of family members of the five cases, they were all willing to give up their personal goals. For instance, in Case 2, the successor studied accounting in the US and was planning to join one of the Big Four, but when his parents said the family’s business needed him, he came back to Macao and has been running the company for many years. The same with the successor in Case 3, who was studying abroad, and when the FB was facing difficulty during a financial crisis, he came back to help, even at the bottom level, without any complaints. These could be attributed to filial piety, but the selflessness of CFB members can further been proven in Case 4.

The incumbent and the successor of Case 4 expressed that they are currently investing a large amount of money for business development, which is seen by their competitors as excessive and impractical. Although they admitted that the investment will not be paid back for some time, but they explained that the investment was for the future generation. Not

only did the incumbent claim that he would not see the result of the investment in his lifetime, even the successor said that perhaps they would only get return on their investment when his now 4-year-old son, and perhaps his siblings and cousins, run the company in the future. This investment was a decision made by father and sons (the successor and his siblings)

together, and they agreed that the company is for the future generation. Therefore, there is strong evidence to support the proposition that with the strong FB identity, members of CFBs are willing to give up individual needs for the greater good of the CFBs, and for the future generation.

TABLE II  
ENTREPRENEURIAL SYNERGY FOR TRANSGENERATIONAL ENTREPRENEURSHIP

<b>Proposition 1: Shared value enhances trust among members of Chinese business families</b>	
Case 1	Values of “ <i>fairness, hard work and humbleness</i> ” frequently repeated by founder and successor. According to successor, all family members are familiar with the value. The founder trusts the successor’s judgment because he understands the core value of their business. The successor would trust his siblings to make decisions too because they all share the same values.
Case 2	Business value of the parents “ <i>to ensure high quality product and service experience which contributes to the good image of Macau</i> ” constantly repeated by successor during the interview. Even employees know the value. Successor expressed that all siblings shared the same value and they trusted his judgment in investing in ventures that do not enhance profit because he adheres to the value of the FB.
Case 3	The value of the founder “ <i>to expand the variety of food choices to consumers in Macau</i> ” frequently repeated by the successor. According to the successor, is shared by all members in the office, both family and non-family staff. Hierarchy is flat and decisions are made among family members and key non-family managers together showing high level of trust among the CFB.
Case 4	Founder’s values of <i>honesty and innovation</i> repeated by successor not only during interview, but also at annual staff dinner reported in the news.
Case 5	Founder lets the successor and his brothers make decisions on high investment venture early on, showing high level of trust in the next generation.
<b>Proposition 2: Entrepreneurial legacy enhances the CFB identity of family members</b>	
Case 1	Incumbent, successor, and sibling all agreed they valued the family and the extended family. Sister of the successor (not working in the family) expressed it doesn’t matter who succeeds the FB, the value will be the same, and ensures everyone in the family will take care of the FB together.
Case 2	All interviewees agree that the CFB is part of their family, and each member also represents the business. (Evidence of strong CFB identity).
Case 3	During the interviews, all successors, and incumbents who are already in the second generation, and even family members not working in the
Case 4	CFBs enthusiastically recalled the history of the founding of their FB.
Case 5	
<b>Proposition 3: The shared identity of family members leads to high level of stewardship</b>	
Case 1	Successor gave up outside career to help in FB because it is part of the family’s life. Other family members, even a brother-in-law, are willing to give up their current careers to take exams to gain an auditing license in order to help in the FB.
Case 2	Successor and a few siblings gave up planned career and life in the US to come back to help in FB also out of family obligation. Siblings abroad contributed to helping family with export and representing CFB to make connections without compensation, just out of family obligation.
Case 3	Successor gave up studies in Australia to help in FB during financial crisis in Macao. He expressed he didn’t mind helping in low level jobs, and stayed to help in the FB because it’s part of their family’s identity.
Case 4	Incumbent and successor willing to invest in high cost venture, while slowing current growth during highly competitive times, which the incumbent was sure he wouldn’t see the development. Even the successor claimed maybe his next generation will enjoy the profit in the future. Strong evidence that the family is willing to invest for the future when the competitors are strongly investing for expansion in the present.
Case 5	Sons of the incumbent expressed low interest in the FB, but as they are part of the family, they have an obligation to succeed the FB. Therefore, willing to put their personal interests at a secondary level and focus on the FB full-time. Even a daughter, who is not expected to work in the FB, helps out after work every day or during holidays.
<b>Proposition 4: High level of trust and stewardship among family members of CFBs lead to collective goal and action across generations</b>	
Case 1	
Case 2	Future development of the CFBs or new ventures endeavors of each of these cases were discussed during routine family gatherings and all
Case 3	members shared ideas and contributed efforts. Even those members not involved in the CFBs.
Case 4	
Case 5	The least entrepreneurial CFB of all the 5 cases did not have decisions on further development, but all family members contributed time and effort every day to the routine and operations of the CFB in hope that it will last till the next generation and to the next and to the next.
<b>Proposition 5: Entrepreneurship in CFBs is a collective family endeavor as a result of collective goal and action</b>	
<b>RESULT</b>	
of Propositions 1 to 4	Evidence supporting propositions 1 to 4 leads to the result that proposition 5 is supported. As the family makes entrepreneurial and strategic decisions together, we argue that entrepreneurship in CFBs should be viewed as a collective family endeavor.

*D. Proposition 4: High Level of Trust and Stewardship among Family Members of CFBs Lead to Collective Goal and Action across Generations*

From evidences supporting proposition 2 and proposition 3, they proved that there is a high level of trust and stewardship within the five CFBs in this study. In all of the five cases, business decisions and future development of the company are mostly made during family gatherings in the form of family lunch every Sunday in Case 1, and Sunday dinner in Case 2, Case 3 and Case 4. According to the successor in Case 3, “every member of the family must cancel any appointments, even

business meetings, to have dinner with the family on Sundays”. For Case 5, the whole family will go to the parents’ apartment for dinner every day after closing shop. During these family gatherings, members of the business families discuss everything from family to work matters, for them, there is no difference, and business matters are to them, part of their family matter, so even members not working in the FBs contributed ideas to the business.

For instance, when the family in Case 2 decided to invest in a cultural project that does not contribute any profit for the business, but as part of their social responsibility, the family

discussed together and execute the project together. According to the successor during his interview, “if we have external investors, they will not like this idea and may consider that a waste of money. But my family members trust in us (the successor and two of his sisters who are managers in the FB), and they all support this idea of a long term contribution to the society, and are willing to work on it together”. In Case 5, all family members contributed to efforts in the day-to-day operation of the family’s café at the expense of their own holidays or their personal goals. According to the successor, “the café supported three generations (financially) in our family, and we (he and his siblings) all want it to last, and hopefully support more generations. Therefore, we work together to keep it running”

**E. Proposition 5: Transgenerational Entrepreneurship in CFBs Is a Collective Family Endeavor as a Result of Collective Goal and Action**

As it was shown in the previous sessions, in CFBs with a high level of trust and stewardship, the family is mutually supportive of each other, and takes actions together in order to achieve a collective goal. From the cases, the entrepreneurial actions taken by the CFBs have been results of collective actions of family members, mostly a joint effort of the incumbent, successor and his siblings. For example, in Case 2, the reason they are one of the most well-known brand in Macao was a result of an investment in the establishment of their corporate identity. This was an innovative move by a small traditional souvenir shop some 15 years ago, and the investment was quite significant. However, the family was willing to invest in the idea brought upon by the successor, and it became a transgenerational collective action, which even siblings in the US who were not involved in the family’s business took the initiative to contact importers and research information on packaging requirements and import criteria, etc. for the future of their brand’s development.

Therefore, it can be concluded from evidence of the presented five cases that entrepreneurship in CFBs is a transgenerational collective family endeavor, because of the trust that members have in each other, they devote time and energy into actions together for the good of the CFBs as a whole, and this work-life synergy contributes to a collective entrepreneurial endeavor where the entrepreneur is not an individual but a family-entrepreneur (collective action). And, because this succession too becomes a transgenerational collective action, instead of choosing one successor for the FB as in most cases, following the Chinese tradition of equal inheritance [36], CFB owners tend to divide their business equally among the next generation, and leadership goes to the eldest son unless he gives it up to a younger sibling. Therefore, it is important for CFBs to maintain strong level of work-life synergy for it to be successful in the long run. In which case, even when the eldest son is not the strongest candidate, the collective action among siblings and different generation family members could compensate each other. A model of work-life synergy for transgenerational entrepreneurship is presented in Fig. 1.

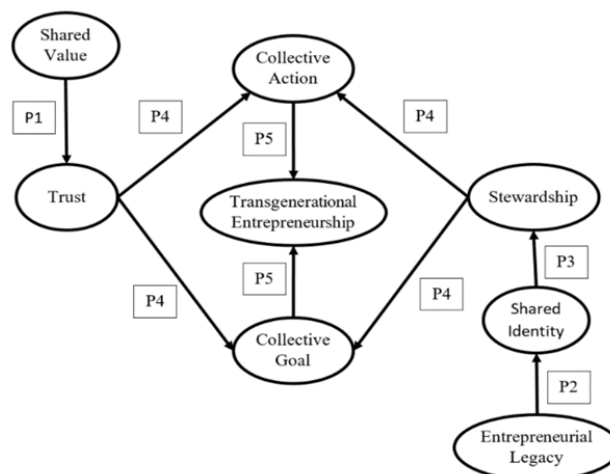


Fig. 1 Work-life Synergy Model: CFBs Transgenerational Entrepreneurship

VI. DISCUSSION

This research aims to explore an alternative understanding to transgenerational entrepreneurship within the context of the CFBs. As a result, this paper argues that with the strong bonds among members of business families, entrepreneurship in CFBs is a collective action, and a model of work-life synergy in the development of family-entrepreneurs is proposed. According to the findings in this research, members of CFBs view their family’s entrepreneurial endeavors as a family matter, and there is no clear boundary between the business and the family. Even members not working in the family’s company, participate in decision making and contribute proactively to the business. This is different to the traditional belief brought forth by Gersick et al. [4] that ‘family dynamics can intrude in business relationships’ and ‘business pressures can overload and burn out family relationships’ (p. 3), for these CFBs the family and the business are one, creating a work-life synergy which is complementing rather than intruding. Moreover, entrepreneurship being a collective action in these family firms can contribute to the longevity of the business, for even when a successor lacks the necessary qualities to run the family firm, he/she can gain support from the family due to the strong identity family members have towards the FB, thus complementing the weaknesses in the successor. Therefore, existing theories of succession and entrepreneurship in FBs cannot explain the phenomenon of transgenerational entrepreneurial arrangements in CFBs.

This research contributes to existing studies in FB by offering an understanding in the family and business dynamics of FBs in a collective culture such as those in Macao, China. Moreover, it contributes to studies in FB succession by offering an alternative view of succession which grooms successors into stewards of the family legacy instead of individual entrepreneurial leaders, which can contribute to the longevity of the FB. Furthermore, this research adds to entrepreneurship studies by introducing a transgenerational entrepreneurship model built upon a work-life synergy in FB. Finally, this research has certain implications for FB practitioners in

succession planning. By enhancing the level of trust and stewardship among next generation family members, through openly sharing the value of the FBs and the history of the family legacy, collective action can be fostered among the members which can contribute to mutual support in the collective goal of nurturing the family's business for the prospect of a strong family legacy to be sustained through generations in the future.

#### VII. LIMITATIONS AND FUTURE RESEARCH

This research is not without its limitations. As this case study probes into stories about family lives and relationships, there is difficulty getting a more random sample. And it may not be surprising that subjects who agreed to an in-depth case study tend to be successful cases, and therefore may not be able to be generalized to all CFBs, but rather, serve as examples of best practices. Moreover, due to the culture of filial-piety and face-giving, the successors may have over-exaggerated achievements of their fathers or grandfathers, or presented the positive side of the family relationships. Although, informal interviews in the forms of casual chat with other family members, non-family employees, or family friends were conducted to support data from the in-depth interviews, to investigate the actual relationship among family members may need in-depth observation of family activities, which this research is not granted. However, in order to infiltrate a family to observe the actual family dynamics may require the research to have deep friendship of the family, or to be a trusted family advisor which is not yet a widely accepted concept in Eastern culture. Therefore, only observation within the business context could be done to observe family dynamics.

Finally, as most of the cases are still in the early succession phase, the research result shows only the entrepreneurial synergy within the CFBs among the current two generations running the firm. To ensure if the concept supports future entrepreneurial endeavors of the CFBs from generations to generations would demand longitudinal studies to observe the next round of successions in these cases.

This research introduces the idea of work-life synergy in CFBs in explaining transgenerational entrepreneurship as a collective action. The results from this study open up opportunities for future research in studying entrepreneurship in CFBs, such as the investigation of further variables contributing to work-life synergy, and the contribution of work-life synergy to future entrepreneurial endeavors. The presence of high level of trust and stewardship as contributing factors to the collective goals and actions of the family is identified from the five cases in this research. Because family members see themselves as stewards of the family legacy, they are willing to contribute for the good of future generations. However, the ideal level of involvement of individual family member is yet to be determined. For instance, to what extent does involvement of family members not working in the FBs impede the work-life synergy of the business family instead of enhancing it? It would also be interesting to find out if non- FB in a collective culture also have a high level of stewardship and trust which leads to collective goals and action within the

business. Moreover, the proposed model of work-life synergy explains entrepreneurship in CFBs as a collective action, however, to determine the success of a collective entrepreneurial effort would demand further studies in analyzing the competitive environment these CFBs are in. Also, the process of entrepreneurial strategic planning within a CFB with a high level of synergy would also be an interesting topic to investigate. Finally, comparative studies between FBs in a different culture and between family and non- FB in terms of work-life balance and work-life synergy in relation to entrepreneurship would offer a better perspective in understanding the effect of work-life synergy to the long term success of family firms.

#### VIII. CONCLUSION

In conclusion, the research this paper presents distinguishes CFBs from other forms of business from the perspective of work-life synergy which causes entrepreneurship within CFBs to be a collective action instead of an individual effort. From that sense, transgenerational entrepreneurship should be viewed in terms of grooming the next generation as stewards of the family legacy instead of choosing one successor and preparing the individual for leadership. With a culture of equal inheritance and respect for seniority, there is a high tendency of FBs being passed on to the eldest. Although in some cases, the eldest child may not have interest in managing the family firm and a younger sibling takes over. The succession of FBs in the Chinese culture tends to be automatic or bottom up (based on the intention of which member in next generation is interested to succeed), rather than choosing the strongest among the next generation for leadership. Therefore, nurturing the family-entrepreneur (entrepreneurship as collective action of the family) is significant to the survival of the FB. According to the findings, transgenerational entrepreneurship of the family-entrepreneur can be nurtured by enhancing the level of trust and stewardship among family members, through openly communicating the value of the FB and entrepreneurial legacy which enhances the FB identity shared among family members. Thus, this research contributes to explaining the work-life relationship and entrepreneurial dynamics that is unique in CFBs.

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