Probabilistic Impacts of SEW Items on Family Firms' Economic Performance

ABSTRACT

The main objective of this research is to identify the economic impact of individual items of socioemotional wealth (SEW) on the family firm's performance, by using economic proxy phenomena such as *efficiency* and *competitiveness*. The hypothesis is that when a family firm directs resources to specific items of SEW the probability of that item to increase the company's performance is high. The methodology used a new construct of SEW with *affective*, *legacy*, and *reputation* components, measuring the relationship with the proxy variables through probabilistic estimations to define the economic performance of the companies. Results showed that when family firm directs resources to specific SEW items, the company's performance increases, especially through reputation and legacy that boost efficiency and competitiveness.

Keywords: SMEs, SEW, proxy variables.

INTRODUCTION

The study of family businesses around the world has been growing in the last three decades. Many of the studies have been directed to businesses in developed countries, especially of public companies (Sharma & Carney, 2012). Even though there is a deeper understanding of the family firm dynamics, it is still required that future studies aim to get a better knowledge of firms from other parts of the world, mainly non-public businesses of developing countries (Martin-Reyna & Duran-Encalada, 2012). Particularly for Mexico, there are just a few projects that carry out either theoretical or empirical analysis, despite the size of its economy and the large number of small and medium enterprises (SME) officially registered by the National Institute of Statistics and Geography (*Instituto Nacional de Estadística y Geografía*, INEGI), which in general are family owned.

The purpose of the present analysis is to identify the economic impact of individual items of socioemotional wealth (SEW) on the family firm's performance, by using economic proxy phenomena such as efficiency and competitiveness. The hypothesis is that when a family firm directs resources to specific items of SEW the probability of that item to increase the company's performance is high.

This document is organized as follows: state of the art is presented in order to explain SEW and promote the importance of analyzing deeper this new element in the family firm discipline; the methodology shows how the SEW scaled used in this research was obtained and in which way probabilistic estimations measure the relationships between SEW and economic performance; the results of modeling are explained using economic proxy variables such as efficiency and competitiveness; and finally some conclusions and recommendations are presented for family firms' owners.

FAMILY BUSINESS THEORETICAL FRAMEWORK

When referring to performance analysis of family businesses, the preponderance of research mainly considers solely economic (financial) issues and excludes nonfinancial concerns; however, from the owner's perspective, value must include both financial and nonfinancial (emotional) components, furthermore like financial concepts, nonfinancial considerations can both add to and detract business's value from owner's perspective (Astrachan & Jaskiewicz, 2008). Regarding the desire of people and businesses for not considering only economic measures, Astrachan and Jaskiewicz (2008), commented:

> The domain utility exists not only over material objects susceptible to exchange, but over natural wealth, over the pleasures of the mind and heart, which also have the property of satisfying our desires even at a higher degree and, consequently, of being useful… If political economy aims to explain social phenomena, it must necessarily understand all that causes them. Now, it is a mistake to believe that man attaches a price only to material things. (p. 140)

Astrachan and Jaskiewicz (2008) presented a new valuation formula that addressed, from an owner's perspective, financial and nonfinancial returns and how they affected total business value, which the authors considered as an expression of business utility for the owner:

$$TV = DCF + DFPB + (ER - EC). \quad (1)$$

This formula that represents the total value (TV) to the owner includes elements as financial value (FV), discounted cash flow (DCF), discounted financial private benefits $(DFPB)$, emotional return (ER), and emotional cost (EC). For the owners, emotions can be measured with high reliability, and emotions play the major role in determining (monetary) decisions. For instance, a situation that would not be understood by a non-family firm would be when family firms decide to employ inefficient family members because the decision can have a positive emotional return for owners and, consequently, owners might accept lower profit margins in the business (Astrachan & Jaskiewicz, 2008). Owners who display high levels of emotional value will have problems finding buyers and successors for their firms; a family firm may be particularly difficult to sell or buy when the firm provides socioemotional wealth to family owners (Zellweger & Astrachan, 2008).

Sharma et al. (2012) suggested that future studies focus on the question of how performance and success might be measured at levels of business groups and career aspirations of cross-generational entrepreneurial families, especially considering financial and nonfinancial measures. They also encouraged undertaking studies addressing the need to understand the interplay of different business units controlled by families, as well as to improve the understanding of the "special breed" of enterprising families, and to undertaker transgenerational studies of family businesses, beyond the simple process of succession, to discover the effects on the behaviors and performances of family firms (Sharma, Chrisman, & Gersick, 2012).

In family businesses, Engelberg and Sjöberg (2006) said: "our review… strongly suggests that attitudes about money seem to be determined by the ability to manage emotion-related issues, as encountered both in the social and professional realms" (p. 2030). Based on similar ideas, some authors defined the socioemotional wealth (SEW) concept as benefits family owners derive from noneconomic aspects of the business (Gómez-Mejía, Haynes, Núñez-Nickel,

Jacobson, & Moyano-Fuentes, 2007). SEW emphasizes *noneconomic rewards*, including their emotional connections to the firm, family values instilled in the family business culture, and their altruistic behavior (Liang, Wang, & Cui, 2013). Berrone, Cruz, and Gómez-Mejía (2012) commented on SEW:

> Because of its breadth and depth, the SEW construct has proven to be a good analytical lens for interpreting a wide variety of family firm phenomena. However, the SEW model is still in its infancy, and as it matures, it can be particularly advantageous for pursuing future research in family business area. (p. 261)

When created in the late 1990s, the SEW model came as a general extension of behavioral agency theory. Fundamental to agency theory is the notion that firms make choices depending on the reference point of the firm's dominant principals. In the case of family principals, the emphasis on preserving SEW becomes critical. When there is a threat to the socioemotional endowment, the family is willing to make decisions that are not driven by an economic logic, and in fact the family would be willing to put the firm at risk if this is what it would take to preserve that endowment. This contrasts with non-family shareholders or hired managers and employees for whom the relationship with the firm is more distant, transitory, individualistic, and utilitarian (Berrone, Cruz, & Gómez-Mejía, 2012). For the authors, SEW "is the single most important feature of a family firm's essence that separates it from other organizational forms" (p. 260). Both family businesses and non-family businesses make decisions rationally.

The SEW approach does not imply that family firms are self-sacrificial or ignore financial issues. The main point of SEW is that 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, Cruz, Gómez-Mejía, & Larraza-Kintana, 2010).

According to Gómez-Mejía et al. (2011), SEW would follow a path contrary to some corporate strategies: as SEW increases, professionalization, corporate diversification, internationalization efforts, R&D, and acquisitions all decrease. The reason is that these strategies imply that controlling family loses control and open up the company to the external environment, which represents a risk in order to maintain SEW. Conversely, family firms tend to be less tax aggressive because their reputation matters, and reputation increases SEW (Gómez-Mejía, Cruz, Berrone, & De Castro, 2011) and also family firms exhibit higher levels of corporate social responsibility and community citizenship because public condemnation could be emotionally devastating (Berrone, Cruz, & Gómez-Mejía, 2012). One of the biggest risks for family firms with a very high SEW is that the organization might tend to stay small as in a permanent failure state (Gómez-Mejía, Cruz, Berrone, & De Castro, 2011).

Because of its recent addition to the family business literature, empirical studies using the SEW model have relied on it as a latent explanatory construct, but the construct itself has not been directly measured. Prior research has not explored the dimensions of the SEW construct in detail (Berrone, Cruz, & Gómez-Mejía, 2012). Presented by Berrone et al. (2012) the model has five dimensions called FIBER: (a) family control and influence, (b) identification of family members with the firm, (c) binding social ties, (d) emotional attachment of family members, and (e) renewal of family bonds to the firm through dynastic succession. These items still have to be tested and to pass standard psychometric procedures to verify the hypothesized content structure of SEW and ensure the items' internal consistency and interrater reliability.

METHODOLOGY

Building the SEW classification

Data for the present research was taken from a previous study conducted by Ramírez-Pérez (2016) in which 52 family firms from the State of Jalisco, Mexico, were interviewed. People who answered the survey were from three different groups: Board / Owners, Upper management, and employees within 139 valid responses. The instrument is a 46-item questionnaire which was subjected to content validity testing by a jury of experts. For the SEW questions, all the scales were assessed by a five-category Likert scale, and the instrument contains 11 questions regarding SEW.

Factor analysis was applied with SEW showing three variables. SEW affective was formed by four questions; SEW legacy variable was formed by four questions; SEW reputation variable was composed by three questions. See Table 1 for Cronbach's alpha for each SEW variables. The factor analysis shows acceptable levels of internal consistency.

Table 1
Cronbach's alpha for SEW variables

Variables	Items	Number of Items	Reliability
SEW affective	31, 32, 33, 34	4	,612
SEW legacy	27, 35, 36, 37	4	,652
SEW reputation	28, 29, 30	3	,576

Source: Ramírez-Pérez (2016)

The construct created for SEW called *FIBER*, socioemotional elements in a family business are *Family* control and influence, *Identification* of family members with the firm, *Binding* social ties, *Emotional* attachment of family members, and *Renewal* of family bonds to the firm through dynastic succession (Berrone, Cruz, & Gómez-Mejía, 2012). Ramírez-Pérez (2016) simplified the model by classifying the five elements in three: SEW affection, SEW reputation, and SEW legacy. In that study, *SEW affection* and *SEW reputation* are independent variables. SEW affection includes "binding social ties" and "emotional attachment of family members", and SEW reputation is related to "identification of family members with the firm". The dependent variable was *SEW legacy* which is closer to "family control and influence" and "renewal of family bonds to the firm through dynastic succession" of the FIBER model (Ramírez-Pérez, 2016).

Table 2
Factor loadings – SEW affective

Initial factor	Items	Description	Factor Loading rotation Matrix
,669	Q31	Emotions and sentiments often affect decision-making processes in the family business	,747
,494	Q32	Protecting the welfare of family members is critical to the family, apart from personal contributions to the business	,660
,429	Q33	In the family business, the emotional bonds between family members are very strong	,520

,556	Q34	In the family business, affective considerations are often as important as economic considerations	,640

Note. Total Eigenvalue 3,080, % of Variance = 28.004, Cumulative % = 28,004.
Source: Ramírez-Pérez (2016)

Table 3
Factor loadings – SEW legacy

Initial factor	Items	Description	Factor Loading rotation Matrix
,401	Q27	Preservation of family control and independence are important goals for the family business	,612
,572	Q35	Continuing the family legacy and tradition is an important goal for the family business	,544
,472	Q36	Family owners are less likely to evaluate their investment on a short-term basis	,559
,645	Q37	Family members would be unlikely to consider selling the family business	,802

Note. Total Eigenvalue 1,569, % of Variance = 14,263, Cumulative % = 42,267
Source: Ramírez-Pérez (2016)

Table 4
Factor loadings – SEW reputation

Initial factor	Items	Description	Factor Loading rotation Matrix
,392	Q28	Customers often associate the family name with the family business's products and services	,543
,537	Q29	Building strong relationships with other institutions is important for the family business	,717
,668	Q30	Contracts with suppliers are based on enduring long-term relationships in the family business	,817

Note. Total Eigenvalue 1,186, % of Variance = 10,782, Cumulative % = 53,049
Source: Ramírez-Pérez (2016)

SEW impact on economic behavior

A probabilistic estimation model was performed to analyze the relevance of the SEW construct in the economic performance of a company and in its economic behavior. Proxy variables of *efficiency*, *competitiveness*, and *market penetration* were defined to related them with the SEW components as explanatory variables. Thus, the estimating model is as follows:

$$(2) \qquad EB_i = \beta_1 SEW_j + \beta_2 SEW_j + \cdots + \beta_k SEW_j + u_j,$$

where EB stands for Economic Behavior proxy variables considered in the model, and therefore $i = \{\text{Efficiency}, \text{Conpetittiveness}, \}$; SEW represents socioemotional wealth component with $j = \{\text{Affective}, \text{Legacy}, \text{Reputation}\}$; u_j is the error term. Proxy variables are used when official or public information regarding a specific phenomenon is not available to improve linear

regression estimations (Wickens, 1972). The estimation method is a Tobit Linear Model for ordered data which measures probabilities of an increase in economic behavior due to an intensification of a SEW component.

Estimations were partitioned into three types which were performed orderly as follow: *joint estimation*, includes all SEW items to identify main impacts; *pair estimation*, which incorporates specifically SEW items with high significance from the previous estimation (positive probability and significant) allowing to analyze the influence on economic behavior if a firm designates resources to enhance only those selected SEW components at the same time; and *individual estimation*, for the most significant SEW items (effects can be addressed when the firm is interested in only one SEW focus). Pair and individual estimations are revealed only if significance absolute values, measured with z-value, were above 1; a positive coefficient is necessary as well; otherwise results are not presented. The Z-Statistic value measures significance levels and coefficients value are inferred as probabilities; therefore there are only considered significant and positive probabilities of SEW items.

Items related to *affective*, *legacy*, and *reputation* are defined in Table 3 and items associated to economic behavior proxy variables are described in the following table, which were taken from the 46-item survey created by Ramírez-Pérez (2016):

Table 5
Economic Behavior Proxy Variables

Items	Description	Economic proxy phenomena
Q19	Employees gain status by achievement rather than by family membership	Efficiency
Q26	There is a wide range of salaries within the same job category	Competitiveness

Source: Own elaboration

Analyzing the 46-item survey, questions 19, 26, 39, and 41 are the ones related to an economic behavior. These four questions were related to economic proxy phenomena of efficiency and competitiveness. Question 19 is connected with efficiency because it states that one alternative to gain status in a family firm could be by achievement or results rather than being a family member; employees' results are a measure for efficiency. Question 26 is related to competitiveness because it considers a range of salaries within the same job category; having employees with higher salaries among other in the same job is a measure of competitiveness.

Results are presented in the next section displayed by economic behavior proxy variable, as defined above, according to the SEW components that showed highest significance coefficients values among estimations.

PROBABILISTIC RELATIONSHIPS BETWEEN SEW AND ECONOMIC PERFORMANCE

SEW Impact on Efficiency

The first scenario analyzed in this section considers the probabilistic relationship between *affective* component and *efficiency*. As it was defined before (Table 2), Q31 stands for "emotions

and sentiments often affect decision-making processes in the family business", Q32 measures how "protecting the welfare of family members is critical to the family, apart from personal contributions to the business", Q33 indicates if "in the family business, the emotional bonds between family members are very strong", finally Q34 shows if within "the family business, affective considerations are often as important as economic considerations". There is 30,5 percent probability of *efficiency* increasing due to intensification on emotional bonds among family members (Q33); and *efficiency* has a 17,38 percent probability of rising because affective considerations during economic performance of a company are as important as affective considerations (Q34); this scenario was the best situation of all three studied (Table 6).

Table 6
Efficiency related to affective component

Variable		Coefficient	z-Statistic
Joint estimation	Q31	-0,1291	-0,99
	Q32	-0,0704	-0,49
	Q33	0,2815	1,55
	Q34	0,1202	0,8
Pair estimation	Q33	0,2591	1,45
	Q34	0,0753	0,52
Individual estimation	Q33	0,3055	1,95
	Q34	0,1738	1,38

Dependent Variable: Q19; method: ML - Ordered Logit (Newton-Raphson / Marquardt steps); Included observations: 139; Number of ordered indicator values: 5
Source: Own elaboration

The second scenario analyzed in this section considers the probabilistic relationship between *legacy* component and *efficiency*. According to Table 3, Q27 stands for "preservation of family control and independence as important goals for the family business", Q35 considers that "continuing the family legacy and tradition is an important goal for the family business", Q36 measures "family owners being less likely to evaluate their investment on a short-term basis," and Q37 accounts for "family members would be unlikely to consider selling the family business." *Efficiency* has 49,1 percent probability of increasing because of family owners being less likely to evaluate their investment on a short-term basis (Q36), and there is a 31,1 percent probability of *efficiency* growing when family members would be unlikely to consider selling the family business (Q37) (Table 7).

Table 7
Efficiency related to legacy component

Variable		Coefficient	z-Statistic
Joint estimation	Q27	0,1259	0,85
	Q35	-0,1178	-0,76
	Q36	0,4303	2,63
	Q37	0,2266	1,63
Pair estimation	Q36	0,4047	2,53

	Q37	0,2154	1,74
Individual estimation	Q36	0,4918	3,24
	Q37	0,3116	2,64

Dependent Variable: Q19; method: ML - Ordered Logit (Newton-Raphson / Marquardt steps); Included observations: 139; Number of ordered indicator values: 5
Source: Own elaboration

The third scenario analyzed in this section considers the probabilistic relationship between *reputation* component and *efficiency*. According to Table 4, Q28 indicates if "customers often associate the family name with the family business's products and services", Q29 denotes if "building strong relationships with other institutions is important for the family business," and Q30 shows if "contracts with suppliers are based on enduring long-term relationships in the family business". There is a 61,5 percent of probability that *efficiency* rises if a company continues to build strong relationships with other institutions (Q29), and there is a 68,2 percent probability that *efficiency* grows if more contracts with suppliers are based on enduring long-term relationships with the family business (Q30) (Table 8).

SEW Impact on Competitiveness

This section shows the probabilistic relationship between *affective*, *legacy*, and *reputation* components with *competitiveness*. Table 9 shows that the probability for *competitiveness* to grow due to intensifications on emotional bonds between family members is 22,3 percent (Q33); the connection between *competitiveness* and family firms that consider affective considerations as important as economic performance (Q34) is 20,6 percent probable (Table9).

Table 8
Efficiency related to reputation component

Variable		Coefficient	z-Statistic
Joint estimation	Q28	-0,0771	-0,70
	Q29	0,4240	2,33
	Q30	0,5472	2,87
Pair estimation	Q29	0,4143	2,27
	Q30	0,5085	2,78
Individual estimation	Q29	0,6159	3,24
	Q30	0,6821	4,11

Dependent Variable: Q19; method: ML - Ordered Logit (Newton-Raphson / Marquardt steps); Included observations: 139; Number of ordered indicator values: 5
Source: Own elaboration

Table 9
Competitiveness related to affective component

Variable		Coefficient	z-Statistic
Joint estimation	Q31	-0,0402	-0,33
	Q32	-0,1817	-1,33
	Q33	0,1503	0,82

	Q34	0,1994	1,30
Pair estimation	Q33	0,1204	0,67
	Q34	0,1507	1,01
Individual estimation	Q33	0,2239	1,49
	Q34	0,2064	1,66

Dependent Variable: Q26; method: ML - Ordered Logit (Newton-Raphson / Marquardt steps); Included observations: 139; Number of ordered indicator values: 5
Source: Own elaboration

Competitiveness has a probability to increase in 38,2 percent if family owners are less likely to evaluate their investment on a short-term basis (Q36); at the same time there is a probability that competitiveness grows in 20,6 percent if family members would be unlikely to consider selling the family business (Q37) (Table 10).

Table 10
Competitiveness related to legacy component

Variable		Coefficient	z-Statistic
Joint estimation	Q27	-0,0186	-0,13
	Q35	-0,2082	-1,37
	Q36	0,4366	2,88
	Q37	0,0520	0,39
Individual estimation	Q36	0,3829	2,70
	Q37	0,2064	1,66

Dependent Variable: Q26; method: ML - Ordered Logit (Newton-Raphson / Marquardt steps); Included observations: 139; Number of ordered indicator values: 5
Source: Own elaboration

Regarding *reputation*, it can be said that *competitiveness* would probably increase 58 percent when contracts with suppliers are based on enduring long-term relationships in the family business (Q30), while other reputation items had none significant effect (Table 11).

Table 11
Competitiveness related to reputation component

Variable		Coefficient	z-Statistic
Joint estimation	Q28	-0,0672	-0,63
	Q29	0,0795	0,43
	Q30	0,5719	3,06
Individual estimation	Q30	0,5806	3,42

Dependent Variable: Q26; method: ML - Ordered Logit (Newton-Raphson / Marquardt steps); Included observations: 139; Number of ordered indicator values: 5
Source: Own elaboration

CONCLUSIONS

In the literature review section it was stated that family firms do not behave in the same way as non-family firms because they consider into their performance evaluation socioemotional elements, besides to only financial ones (Astrachan & Jaskiewicz, 2008; Gómez-Mejía, Haynes, Núñez-Nickel, Jacobson, & Moyano-Fuentes, 2007; Sharma & Carney, 2012). However, previous researches have experienced difficulties in measuring the economic impact of socioemotional components through empirical studies and have relied on latent explanatory constructs (Astrachan & Jaskiewicz, 2008; Berrone, Cruz, & Gómez-Mejía, 2012; Whetten, 1989). This research uses proxy variables to create an economic probability impact for information that is not available (Wickens, 1972), such as a lack of a specific scale or measures of SEW elements; also, it pertains to follow-up the suggestion of Berrone et al. (2012) to keep analyzing the SEW construct because "is the single most important feature of a family firm's essence that separates it from other organizational forms" (p. 260).

Efficiency

Efficiency is the economic variable with the strongest positive relationship with the SEW components analyzed. *Reputation* is the SEW component with a higher probability to impact efficiency. A family firm with contracts with suppliers based on enduring long-term relationship has 68,2 percent probability to increase efficiency. Similarly, family businesses that consider important to build strong relationships with other institutions have a probability of 61,5 percent to improve efficiency. *Legacy* components are also key elements to improve *efficiency*. Family firms that believe the investment they have in the company would be better in the long term have 49,1 percent probability to increase efficiency, and family owners with a stronger desire to keep the company in the family have a 31,1 percent probability to impact efficiency. The most important *affective* component for a family firm is to have strong emotional bonds among family members which might increase efficiency in 30 percent.

Competitiveness

The economic variable of competitiveness could also increase through SEW components. *Reputation* is also the most influential element to increase competitiveness; when a family firm creates contracts with suppliers based on enduring long-term relationships with the company, the competitiveness could increase in 58 percent. *Legacy* has a profound impact on increasing competitiveness in family firms. When family owners are less likely to evaluate their investment on a short-term basis, they have 38,2 percent probability to increase competitiveness; however, if the family owners increase the efforts in all legacy components, the likelihood to increase competitiveness increases to 43,6 percent. For this economic variable, *affective* is also important, but at a lower level. Family businesses with strong emotional bonds among family members can increase competitiveness in 22,3 percent. For family firms that are aware that besides economic considerations, affective relationships are in the same level of importance, have a probability to increase competitiveness in 20,6 percent.

According to the results, the hypothesis defined for this paper is accepted because through probabilistic economic estimations it was proved that when a family firm directs resources to specific items of SEW, the probability of that item to increase the company's performance is

high. This is more evident for items related to *reputation* and *legacy* that would boost economic variables such as efficiency and competitiveness. Therefore, it is possible to confirm what Gómez-Mejía et al. (2011) stated that SEW might serve as a predictor of managerial choices regarding human resources, professionalization, and succession.

RECOMMENDATIONS

As mentioned by Berrone et al. (2010) the main point of SEW is that 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. The results obtained in this research could help family firms' owners to clarify the most influential socioemotional wealth elements they should direct their attention to bear the uncertainty and risks. When family businesses (a) have contracts with suppliers based on enduring long-term relationships, (b) understand the importance of building important relationships with other institutions, (c) are less likely to evaluate their investment on a short-term basis, and (d) would unlikely consider selling the firm, their economic performance would increase by *efficiency* and *competitiveness*. According to the results, it is possible to confirm the idea presented by Zellweger and Astrachan (2008) who said that owners who display high levels of emotional value will have problems finding buyers for their firms and it would be particularly difficult to sell, especially now with these findings showing these types of companies are more likely to increase economic performance.

Results presented in this research might help SME to overcome one of the biggest risks for family firms with a very high SEW explained by Gómez-Mejía et al. (2011) who mentioned that the organization might tend to stay small as in a permanent failure state. Specially, family firms' owners of SME in Jalisco State, which compose 92 percent of the companies, might acquire a clear path on where to focus their strategic efforts, because as stated by Sharma and Carney (2012), the unique value-creating potential of family firms may reside in their capacity to develop and leverage intangible assets, such as social capital, trust, reputation, and tacit knowledge; family firms' reputation matters, and reputation increases SEW (Gómez-Mejía, Cruz, Berrone, & De Castro, 2011).

As stated by Astrachan and Jaskiewicz (2008), the value of a family firm from the owner's perspective must include both financial and nonfinancial components because both add to and detract business's value. Therefore, the results of this research are also important for externals who desire to evaluate the future performance of a family business beyond financial elements: if the family owners have created stronger bonds with suppliers and institutions, and if they are not willing to sell the company, then, there is a stronger guarantee of the future of the economic performance of the company. The authors expect to contribute to the field through this new empirical study focused on measuring noneconomic performance variables in family firms to increase the percentage of these types of studies mentioned by Sharma and Carney (2012).

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