



A Special Issue on Family and Technology: Resilience Factors in SMEs in a Pandemic

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1. Introduction

In conjunction with the *VI International Forum on Management*, held in Mérida (Badajoz, Spain) on the 24th and 25th of January 2022, the *European Journal of Family Business* publishes this special issue “Family and technology: Resilience factors in SMEs in a pandemic”.

The pandemic generated by COVID-19 has forced firms to face dramatic environmental changes: the breakdown of global supply chains; restrictions on opening hours to the public; limitations on the number of people who can be served in an establishment; borders closures; perimeter closures in towns, cities, and regions; the need to adapt physical workspaces to turn them into safe environments; the need to invest in technologies to promote remote work or the increase of home-based businesses, among others (Choudhury et al., 2020; Gonsalves, 2020; Kniffin et al., 2021; Reuschke & Mason, 2020).

Small- and medium- enterprises (SMEs), due to their smaller size and higher flexibility may explore new opportunities and develop emergent strategies for sustainable business operations (Davidsson, 2015; Papadopoulos et al., 2020; Shepherd & Williams, 2018). However, they are more vulnerable to environmental changes (Wade & Hulland, 2004) because they have fewer options in terms of resources, capabilities, and market power (Drnevich & Kriauciunas, 2011; Sawers et al., 2008). This higher vulnerability and their significant share of the business land-

scape (Ayyagari et al., 2007; Filipe et al., 2016; OECD, 2017) seem to call for a critical reflection on how to promote SMEs’ resilience, so that they can survive and successfully face both the COVID-19 pandemic and other pandemic and crisis situations that may occur in the future.

Environmental turbulence leads to the increasing value of resilience (Zhao et al., 2016). Resilience refers to how firms adjust, adapt, and reinvent their business models in a changing environment (Sharma & Salvato, 2013). Indeed, Lengnick-Hall and Beck (2005) define resilience as the ability of organisations to avoid, absorb, respond to, and recover from situations that could threaten their existence. One of the main objectives of family firms is their long-term survival in order to transfer their business to subsequent generations (Lumpkin & Brigham, 2011) and, therefore, resilience is especially important in this type of firms. The essence of resilience is the intrinsic ability of a firm to maintain a dynamically stable state (Hollnagel, 2006), which forces family firms to pursue longevity and manage the trade-off between continuity and adaptability (Campopiano et al., 2019). Resilience allows family firms to remain flexible and balance the core essence of both the business and the family (Sharma & Salvato, 2013).

The family firms’ resilience is especially important in this historical moment because “*the pandemic and its social and economic reverberations are triggering particularly salient challenges for family businesses*” (De Massis & Rondi, 2020, p.

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1727). For example, while succession has been considered traditionally as an intra-family process that must be methodically planned and executed to ensure a smooth and beneficial transition to the next generation (e.g., [Cabrera-Suárez et al., 2001](#); [Corona et al., 2021](#)), as a result of the COVID-19 pandemic a vast cohort of family firms (mostly family SMEs) have to face succession in an unexpected, rapid, and unplanned way ([De Massis & Rondi, 2020](#)). Despite these additional challenges, during times of crisis business families are better able to mobilize their specific bundle of resources to keep their business operating, lending superior resilience to family firms ([Agustí et al., 2021](#); [Amann & Jaussaud, 2012](#); [Calabrò et al., 2021](#); [Kraus et al., 2020](#); [Lee et al., 2016](#)). In fact, research has shown that family business' ability to, for instance, leverage their family's social capital and patient financial capital can make a difference in times of crisis, making the family the backbone of family business resilience in such times ([Calabrò et al., 2021](#)).

2. Special Issue Content

This special issue is intended to provide an overview of several important factors highlighted above. The first article in the special issue, "Family Business Resilience: The Importance of Owner-Manager's Relational Resilience in Crisis Response Strategies", the authors Matti Schulze (Bielefeld University, Germany) and Jana Bövers (Bielefeld University, Germany) shed light on the resilience of owner-managed family businesses. [Schulze and Bövers \(2022\)](#) put a special focus on different levels within and beyond the organization, by analyzing digitalization efforts as one form of strategic response to a crisis. More precisely, building on an extensive explorative multiple case study, this study explores how and why family businesses differ regarding their resilience and the implications this has for their crisis management. This study contributes both to the literature on resilience and to research on family business strategies by showing differences in crisis response related to different levels of family business resilience and the special role of the owner-manager.

In the second article of this special issue, "Determinants of Dividend Payout in Unlisted Spanish Family and Non-Family Firms" by João Miguel Borralho (University Lusofona, Portugal) and Isabel Duarte (University Lusofona, Portugal), analyzes dividends paid in unlisted family and non-family businesses, exploring factors that lead to higher or lower dividend payments. Data from 612 Spanish companies during 12 consecutive years was analyzed. [Borralho and Duarte \(2022\)](#) indicate that family businesses, as a result of the greater

proximity of the family to the business, pay lower dividends. However, the authors found evidence of higher dividends paid in pyramid structures, susceptible to higher agency costs, both in family and non-family businesses. In family businesses, this can be explained by their aim to maintain levels of trust with minority interests, and in non-family businesses by the purpose to mitigate conflicts of interest as a consequence of greater autonomy of subsidiaries. The evidence obtained adds value to the investigation, which has generally been focused on listed companies. Considering that unlisted companies use the dividend policy to align divergent interests, especially in more fragile governance structures, the results contribute to reduce the gap in research, and have practical implications for companies and investors.

The third article, "Strategic Renewal and Family Firm: A Systematic Literature Review" by Remedios Hernández-Linares (University of Extremadura, Spain) and Triana Arias-Abelaria (University of Extremadura, Spain) aims to examine the current state of strategic renewal research in family businesses identifying the main research gaps and providing a path for future research to the academics. [Hernández-Linares and Arias-Abelaria \(2022\)](#) present a systematic and comprehensive review of 21 studies (18 articles and 1 book chapter) about strategic renewal and family business published between 2009 and 2022. The comprehensive analysis reveals that the most of studies so far are empirical studies that have put the focus on the strategic renewal's antecedents, while the strategic renewal's outcomes remain unexplored. This and other significant research gaps are identified and discussed in this review, which emphasizes the need for further research about the topic.

The final article, "Bringing a Horse to Water: The Shaping of a Child Successor in Family Business Succession" by Jahangir Wasim (Edinburgh Business School, United Kingdom), and Fernando Almeida (Ispgaya & Inesc Tec, Portugal), critically investigates and evaluates the childhood and adolescent year strategies, and efforts that parent-owners of family businesses incorporate to encourage and prepare children for a successful future succession. The sample consisted of six family businesses in the Northeast of Scotland: two successfully introduced a second-generation, two a third generation and one a fourth generation, with one still in the founder stage. The [Wasim and Almeida's \(2022\)](#) findings reveal that the succession planning process was an instantaneous event into generational bridging, where no formal planning process was commenced. Parent-owners influenced and facilitated knowledge transfer and education, leaving control to

the child successors with career options. The research has also shown the difficulties in how the child successors of the future may find succession challenging and demanding with contextually complex issues.

3. Concluding Remarks

We hope you enjoy this special issue. The topic of this issue is timely and compelling, and its insights help us to advance research in the family business field.

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