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Family Businesses: An In-Depth Look at Communicative Strategies Used by Firms to Implement a Shared Value System within the Work Environment

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Abstract

Since family owned enterprises are a driving force in the present day economy and yet they fail to withstand succession from first generation ownership at an alarmingly high rate, this study seeks to understand the factors that contribute to a family owned company's ability to withstand succession. Since family businesses differ most from traditional organizations in terms of their value orientations, this research sought to answer which value orientation this family owned business incorporates into its business model, as well as how management within a family business communicates their desired value system to their employees and how much emphasis is put on said value system. The participants involved in this study came from a family owned organization that is successfully thriving in its second generation of ownership. Through the qualitative research methods of interviewing and observing the participants, it was made evident that the value system upheld by this family owned organization is a marriage between moral and competence value orientations, that the importance of this value system is very heavily stressed to their employees and that the value system is communicated through their building's structure and physical use of space, their use of verbal and nonverbal communication, and their use of promoting organizational pride.

Rationale

The communicational dynamics within family businesses are unique in that they unite two vastly different areas of communications study – familial and organizational communication. The importance of studying family business communication is evident by the prevalence of this form of organizational ownership in the economy. As cited in Beck, Janssens, Lommelen, and Sluismans (2009), "Family businesses are an important source of economic development and growth. Worldwide, these firms are the predominant form of business (Gersick et al., 1997) realizing 40-60% of gross national products and 35-70% of job generation (Van Gils et al., 2008)" (p. 2). The problem lies in the facts that although family businesses are so prominent, they often suffer from short lifespans and rarely survive past first generation ownership. Nearly 70% of family businesses fail before reaching the second generation and 88% fail before the third generation (Barker, Rimler, & Moreno, 2004, p. 292). These shocking numbers demonstrate the desire and need for researchers to study family firms in the hope of discovering what contributes to their high failure rate and how they differ from traditional firms.

Researchers have looked at family businesses through a wide array of scopes, including but not limited to conflict-management (Sander & Bordone, 2006) the problems regarding succession (Pitts, 2009), self-disclosure (Dumas, 1989), and value orientations (Sorenson, 2013). Value orientation is a particularly interesting topic of choice for research in regard to family business because of its stark contrast from traditional organizations. Values within family firms tend to reflect more moral values as opposed to regular organizations that give priority to competence values (Manz, Cameron, Manz & Marx, 2006, p. 2). This nonconformity between the two types of organizations is important to note because of its relations to other aspects of organizational communication and the further discrepancies between familial and traditional ownership. For example, as cited in Sorenson, "in a study done by Payne et al. (2011) they found that compared with non-family businesses, family firms made significantly more references to the virtues of 'empathy', 'warmth', and 'zeal'" (Sorenson, 2013, p. 119). According to Sorenson (2013) these virtues are similar to Rokeach's (1973) moral values that promote interpersonal relationships, which encourage more open communication between employees (p. 119).

It is crucial to understand the differences between familial and traditional organizational communication in order to develop a better understanding of why family firms often fail to withstand succession. According to Dyer (2009), "A number of scholars have attempted to compare the performance of family firms with firms having no family ties, but the results of such studies have led to mixed results and conflicting opinions regarding the impact of family control"(p. 253). The fact that it has yet to be universally determined if familial ownership is an effective means of operating an organization, or if it too often leads to failure is a prime example of the need for more research to be done on this topic. The lack of understanding of such a crucial contribution to the economy is a significant gap in research that needs to be filled.

Theoretical Framework

Numerous communicational, psychological, and business analysts have studied family business communication through various theoretical frameworks. Value orientation is a prevalent framework relative to a majority of the research conducted. This specific framework is an interesting scope in which to view family businesses because many of the values engrained in the business are derived from values taught at home as opposed to traditional organizations that base their value systems to reflect the drive to achieve monetary success. For example, according to Sorenson (2013) much of what is known about value orientations can be derived from Rokeach's (1973) categorization of values. Rokeach developed a survey that determines if participants' value orientation falls under “moral values” which include “courageous”, “forgiving”, “honest”, “loving”, and “obedient”, or “competence values” which include “ambitious”, “capable”, and “imaginative”, and are more concerned with personal achievement over moral obligation (p. 118). This contrast between the two forms of industry sparks a curiosity regarding the relationship between a moral value orientation with inter-employee trust, job satisfaction, and organizational culture within family firms, as opposed to a competence value orientation and the same list of dependent clauses prevalent in traditional firms.

Family values and how such values are carried over into the business is a major basis of theoretical study within family business research. Sorenson (2013) stated, “Family business researchers have recognized that one of the defining characteristics of family businesses is the extent to which family and business values align.” (p. 117). Since a specific value system is such an integral part of what defines a family business, it is commonly a chosen area of study. According to Cheney, Christensen, Zorn and Ganesh (2010), “While the pool of values and beliefs in the organization may have additional purposes, they primarily serve, according to this perspective, to help the organization integrate its members, adapt to its surroundings, and survive in a changing environment.” (p. 87) Values do not only give an organization a basis of understanding management’s decisions but they also are an effective way of instilling culture within an organization. In terms of a functionalist viewpoint of organizational culture, cultures, and therefore values, are things that a company can utilize in order to strengthen the employees sense of belonging and identity within the organization. Since employees who are also family members of family business are more often than not raised with the values relevant to the business, it is crucial that they use culture to close the gap between familial employees and unrelated employees.

Furthermore, research has shown that a shared value base within family firms is crucial to success because it helps to prevent conflict in an environment that is prone to rivalry. According to Carlock and Ward (2001), "working together intensifies family interactions and can exacerbate family problems such as sibling rivalry or competition between the generations" (p. 38). Since the combination of family and work can lead to high levels of stress, which is obvious from the high failure rates of family businesses post succession, the need for preventative methods of conflict is obvious. A strong sense of united values is one way that a family firm can deflect conflict: "if the family does not share a set of beliefs about what the business means to the family and what the family's responsibilities are to the business, there will be unproductive conflict. Therefore, gaining family consensus on core values is critical to the planning process" (Carlock & Ward, 2001, p. 37). Therefore, a majority of the theoretical perspectives used to explain family business communications are derived from value orientation and integration, which is why this research focuses on defining family management's strategies used to implement a shared value system within their work environment.

Exemplary Literature Review

A significant number of communicational and psychological analysts have looked at family business dynamics in hope of developing a better understanding of how a family business works on the communicational level. Although a good deal of literature on this topic exists, there is room for further study. Most scholars have taken a qualitative approach with their methodology for studying family firms – results gathered from interviews and participant observation as well as new theories based on past research saturate the market of family business research. Statistical findings used to answer research questions are scarce in this particular field of study, perhaps because of the inability to distinguish a universal definition for the term, "family business". According to Littunen and Hyrsky (2000), there is "no widely accepted definition of a family business" (p.41). The fact that multiple ways of defining a business as family-owned exist poses a problem for researchers. Since the term "family business" is so subjective, the research regarding this matter is subjective to the particular firm as well. Although this does not pose a problem for qualitative analysis, it does explain the lack of quantitative studies done on this topic. This research is going to focus primarily on studies where the researchers looked at family firms through the thematic lenses of value orientation, gender, succession, and innovative capacity.

A great deal of the studies concentrate on succession in family firms because, as previously noted, a shocking percentage of family businesses fail to survive succession to second-generation ownership. In a case study done by Pitts, Fowler, Kaplan, Nussbaum and Becker (2009), 20 individuals of nine family-owned farms were interviewed with assurance that their contact information would remain confidential. Interview questions were broken into six categories: (1) background information, (2) perspectives of farming, (3) farm decision making, (4) farm transfer discussion, (5) farm transfer process, and (6) general communication dynamics within the family. (p. 65). Since the researchers interviewed both members of the first and second generations within the same farm, they were able to relate the interviewees' answers to see where conflicting opinions existed. These answers were labeled as either "explicit" or "implicit". According to Pitts et al. (2009), "explicit" referred to the two members of the farm synchronously not yet knowing what there true opinion on a matter was whereas "implicit" answers were those that portrayed the two family members having opposing viewpoints on a matter (p. 66).

The researchers of this particular study sought to answer the question, "what indigenous dialectal tensions promote and inhibit succession planning" (Pitts et el., 2009, p. 64). After applying an intensive coding mechanism, the answers received from the participants were able to provide the researchers with insight into factors that influence positive or negative succession planning in family firms. The findings, although very subjective and without longitudinal data, the findings left researchers with a handful of conclusions. Similar to data collected in previous studies, Pitts et al. (2009), found that almost all families struggled with loss of power when it came time for the company to be passed down to the next generation and the new owners adopt management styles different from the previous (p. 76). The first generation owners did not want to give up their stakes in their organization. This study concluded that full self-disclosure and honesty are crucial to positive succession planning: "disorientation and denial strategies could offer families some short-term benefits… However, in the long run, disorientation and denial could act as barriers to succession planning," (p. 75). This final conclusion closely relates to Barker and their 2004 study of how values, succession and commitment relate within a family owned enterprise.

Barker et al. (2004) also used qualitative research methods to study the topic of family firms. They developed two narratives meant to exhibit specific value orientations. A total of 54 participants from 26 family owned businesses participated in this study by reading the two narratives and then undergoing interviews. The participants' answers to the interview questions were then coded to allow the scholars to derive conclusions through statistical analysis (Barker et al., 2004, p. 297). The two stories constructed were meant to portray specific value-orientations and then the participants were to describe how said orientations related to their real-life situations and if said values were significantly embedded in their life at work. After this tedious coding and analytical process, the scholar's were able to conclude that, "it seems that the process of sharing values and organizational culture in a business is a key issue for minimizing conflicts and leading the organization to success," (Barker et al., 2004, p. 309). This notion that values are crucial to the success of an organization is interesting because, as Sorenson (2013) states, "family values help define what the family thinks is important about modes of conduct and desired outcomes in relationships with customers and the community, and provide the basis for business policies and practices" (p. 128). Family businesses tend to have a strong set of values as well as a secure sense of organizational culture.

Although the universal value systems within family businesses are most often viewed in a positive light, this conformity can be seen as negative in terms of the role of women in a family owned business. Women who have fathers, brothers, or other male relatives as superiors or equals in the business are more susceptible to experiencing work life problems derived from a patriarchal value system that was present in home life. As Dumas stated (1989), the family business "has the potential to play a crucial role in both improving women's occupational status, as well as altering the way women are perceived and treated in our society" (p. 303). To examine the role of gender more deeply, Day (2013) used qualitative and interpretative research methods to develop a better understanding of how family business daughters handle the tensions between working at their family's business while simultaneously being a mother.

Day's (2013) study consisted of 12 women who had worked in the family business within the past year and whom had some ownership within the company. According to Day (2013), there was difficulty in obtaining transparency with the participants: "It was discovered through visiting various firms that although family business daughters are very eager to brag about their business accomplishments, they are hesitant to talk about their family relationships" (p. 130). Each woman underwent three separate interviews at separate dates, in these interviews they were asked about their experiences working in their family business, and the positives and negatives associated with such a position. Overall, the findings were vastly contradictory. In some aspects, such as the ability to maintain family well being, women found working with their family to be helpful: “family business daughters were encouraged to put the needs of their families before the needs of the business” (Day, 2013, p. 134). In stark contrast, family business daughters felt as though they had to spend more hours in the office than unrelated females and could not let their home life interfere with their work life: “Family business daughters were also pressured from nonfamily employees to work long hours. Family business children often felt as if they had to prove to nonfamily members that they were not handed their positions” (Vera & Dean, 2005, p. 137). Overall, the values instilled within families were viewed both as beneficial and hindering for the women family members within the business: “when examining the themes of giving to the business or giving to the family, it is the both/and aspect of contradiction that helps one to understand that family business daughters’ gender is treated as one of their greatest strengths and one of their greatest weaknesses” (Day, 2013, p. 140).

In contrast to researching how family enterprises’ value systems are strongly embedded within their business values as the former studies described, Anna F. Carmon set her sights on discovering how family firms hide this universal value system to promote diversity. This case study looked at the mission statements of 20 family businesses in the United States. The mission statements were analyzed and coded to determine the uses of strategic ambiguity among these categories: promoting unified diversity, providing a diverse understanding of goals, facilitating organizational change, and denying misinterpretations of messages (Carmon, 2013, p. 90). Based on the results of the coding, Carmon (2013) stated, “these mission statements appeared to use strategic ambiguity for three of the four purposes: unified diversity, promoting varied understandings of goals, and facilitating organizational change" (p. 91). Overall, the use of strategic ambiguity is a positive one because it allows the family's values to maintain engrained in the business without forcing conformity: "by using strategic ambiguity, family businesses are not forcing their employees and external stakeholders to have the same values, but, rather, encouraging a sense of unity within these values," (Carmon, 2013, p. 91). This strategy promotes the unity of all organizational members in terms of value orientation, be it there is a familial relationship or not.

In methodical contrast to the previous studies described, Beck et al. (2009) used quantitative means to compare familial and non-familial firms in terms of innovative capacity. Innovative capacity refers to the level of a firm's ability to develop and implement new, strategic business plans for the result of growth. Innovation is the product of creative thought and often stems from differing viewpoints coming together and resulting in idea generation. Therefore this begs the question of if family firms are less likely to innovate because the family members of the firm were raised with the same value system, which could distinguish the opportunity of multiple viewpoints coming together to innovate (Beck et al., 2009, p. 14).

The researchers surveyed 210 participants, 111 of which were from private family firms and 99 whom were from non-family firms. According to Beck et al. (2009), all of the firms had similar characteristics in terms of size and business goals (p. 14). The surveys contained strategic questions with available answers in a five-point Likert-type scale in order to either negate or confirm the hypothesis: "the family characteristic of a firm influences the firm's innovation capacity. More specifically, we expect that family firms score lower on their innovation capacity than non-family firms" (Beck et al., 2009, p. 13). The feedback did not provide enough evidence for this hypothesis to be accepted and Beck et al., (2009) concluded that both familial and non-familial firms have positive and negative impacts on innovative capacity and the matter is too subjective to develop an overarching conclusion (p. 20). Overall, these case studies show that a lack of research exists in the comparison of familial and non-familial firms.

Methodology

According to Astrachan, Klein and Smyrnios (2002) a significant error in research exists as a result of the inconsistent definition of a "family business," (p. 45). Therefore, for the purpose of this study, a "family business" will refer to an organization in which the creator and multiple members of existing management are related either through bloodlines or marriage with the intent of future management sharing the same familial relationship. This case study will use qualitative means to develop answers to the following research questions:

RQ 1: How does management within a family business communicate their desired value system to their employees and how much emphasis is put on this value system?

RQ 2: Which value orientations do a family business incorporate into its business model?

The purpose of this case study is to gain a better understanding of how members in a family owned business relate to the values of the business. Research has proven that familial members in family owned enterprises more often than not share the values of the business with their family values because they were raised to abide by such values. This study will examine how the managerial members within a family business communicate the values they wish to be followed by the majority and if they do so in an effective way. Furthermore, this study strives to discover the impact of such value systems within family business as a contributing factor to the success of the firm through succession.

I found an organization willing to partake in this study through snowball sampling – I knew of one family business that put me in contact with a number of others until I found people willing to be interviewed and observed. Although, "it has been claimed that the use of snowball samples introduce "biases" in the data, due to the fact that the referrals tend to radiate in a social network," (Lindlof & Taylor, 2010, p. 115), I am confident such biases did not occur in this study because I had no previous relationship with the organization that participated in my study. I informed each participant ahead of time that they would not be allowed to read my finalized report on their company but I also ensured them that this same report would only be used within a college class and that all of their personal information would remain confidential. In order to ensure full disclosure and understanding of this study, each participant was required to sign a consent prior to participation – the consent form went into detail about the purpose of this study (a college research project), the questions that would be asked in the interviews, the promise of identity confidentiality, and information regarding their inability to read the finalized report. The purpose of this full disclosure prior to my research was to avoid ethical problems from occurring by being, "open, warm, and unpretentious… honored strategies for creating mutual trust and goodwill," (Lindlof & Taylor, 2010, p. 141).

Interviews were held with individuals from a family firm that has survived first generation succession and is currently in its second generation of familial ownership. Although the family firm cannot be named due to confidentiality issues, the firm is in the construction industry and consists of five brothers and one sister in top management, as well as four nephews, one niece, and a brother-in-law in lower level positions. The father of the current members of management previously owned the company and he still participates in the running of the organization. I used purposeful sampling, "informed judgments about what to observe or whom to interview," (Linglof & Taylor, 2010, p. 110) because I knew I wanted to look at family business through the familial owners' perspectives. Since, "we recruit particular persons for interviews because they have had experiences that are vital to our research questions," (Lindlof & Taloy, 2010, p. 111), I knew I wanted to speak with familial owners since they are the ones who implemented ways to communicate the value system and would be able to explain to me from where this system was derived. Since I only wanted to talk to familial managerial members about their own experiences and opinions of the value system, I utilized the respondent interview form, which looks to elicit open-ended responses from the participants own, personal viewpoint in order to discover why and how to communicate the value system and from where this value system, in their opinion, originated (Lindlof & Taylor, 2010 p. 179).

I contacted this firm via email and followed up with phone calls expressing my interest in observing a basic day for a managerial member of the firm at work. I also interviewed two family members from top management. They were ensured that their identities would remain confidential and that my findings would be used for a college research project. These interviews took a minimum of 30 minutes and a maximum of 50 minutes and were conducted during a time that the interviewee had for certain 60 minutes off of work because this was a, "protected time when the participant isn't otherwise preoccupied or feeling edgy about the next thing on his or her calendar," (Lindlof & Taylor, 2010, p. 188). I interviewed each interviewee in a coffee shop nearby the participants' location of work. The choice to interview participants outside their office building in a protected place was a conscious decision made to ensure the participants' comfort by ensuring that a coworker could not overhear our conversation (Lindlof & Taylor, 2010, p. 188). The interviewees were recorded with a audio recording device so that I could "capture and preserve all of the interview discourse with little effort," (p. 192) and I used my phone as the interviewing device because it did not look like a recorder which could be viewed as, "a conspicuous object that can affect the casual atmosphere that one is seeking, (p. 193).

I also performed participatory observations, meaning I observed as well as communicated with my participants in an effort to learn more by, “asking questions, negotiating understandings, and forming relationships,” (Lindlof & Taylor, 2010, p. 134). When I took part in observations, I did not perform any tasks but I did communicate with the participants: they acknowledged my presence and conversed with me. Participatory observation was beneficial to this research because, As cited in Lindlof & Taylor (2010), “its use enables researchers to discern how a social world appears to its participants – principally by eliciting through sustained and mindful interacting the interpretive schema they use to construct and associate meaningful phenomena (Liberman, 1999)” (p. 136). I made an effort to focus on more than just the conversations and obvious, spoken communicational dynamics of the offices, but to note the physical structure of the building, the details of the offices, the background noise, and other little details because, “effective observers become connoiseurs of the particular sensory combinations that are valued by the members of their chosen group,” (Lindlof & Taylor, 2010, p. 139).

Findings

From the exterior, this organization visually appears to be just like any other industrial company concerned with profit maximization in order to ensure the survival of the company. The architecture of the building is, for lack of a better word, average. It is not a modern building full of angles that a majority of the newer software companies seem to inhibit in downtown metropolitan areas, nor is it a daunting skyscraper glittering with its glass windows. Although the comfort exuded from the common architecture was noteworthy, it was the physical structure of the interior of the building, the conversations that occurred behind the front doors, and the communication that occurred without spoken words that melded together in order to answer the questions guiding this analyses: how does management in a family business communicate values to their employees and how much emphasis is put on the importance of these values? The answer to this question is desirable knowledge because this particular company is successfully thriving in its second generation of familial ownership whereas family firms in general have a 70% failure rate before reaching their second generation (Barker et al., 2004, p. 292). The management within a family business held their desired value system with high regard and communicated this fact, as well as what their value system encompassed, through their (a) use of physical space in order to portray equality among the entire workforce, (b) verbal and nonverbal communication within the organization, and (c) the sense of organizational pride.

Physical Space within the Organization and its Portrayal of Equality

According to the owners of this organization, the layout of the building was not coincidental, but six years ago the managerial staff decided to renovate the office with the hopes of ensuring a sense of equality among their workforce. The owners made it seem as though this decision was solely their idea and did not allude to their employees asking for the physical sense of equality. Every office is similar in size with a one to two square foot differentiation, and the furnishings are all on the same level of extravagance, or lack thereof. Every office has a large panel of glass next to the door, even the members of management, in an effort to promote transparency and communication among coworkers. Also, the offices were situated in an oval shape – no office was alone and they all face a common areas in an effort to promote community. One of the owners of this business stated, "the layout of the offices was a strategic decision: we did not want any one office to be a lonely island or an extravagant oasis. We wanted to promote equality by having every office be as equally approachable and not a physical display of one's power." The fact that the offices are all situated across from each other or, as with the oval shape upstairs, as a perimeter to a common space filled with couches, shows the high regard in which this company places on communication throughout the members of their company regardless of power distance.

In alignment with the company's use of physical space in regard to office buildings, this organization also has an open door policy that is heavily encouraged. Every member of staff is expected to have the door to their office building open unless there are in a meeting with a client and said client wishes for their conversation to remain confidential or uninterrupted. As eluded to by one of the members of management, Mrs. Pink*, this open door policy is one way in which the company communicates to their employees the emphasis that is put on equality, integrity, and the importance of a hard work ethic:

> I think our open door policy is a great way that our company shows the values we find important. It shows, not only to our employees but also our clients, that we consider every employee, regardless of rank, equally important and that no one deserves more privacy or lavish furnishings than anyone else. It also promotes communication across every level of power – it is way more nerve wrecking to approach your boss if their door is closed as opposed to if it is open. It shows that our employees are honest and always using their time to work because they cannot hide seedy behavior behind a closed door or take a nap in an office where your coworker is bound to walk by the moment your eyes start to drift and see you. I think the open door policy is something that all businesses should adopt.

Since the members of management developed the open door policy, it shows that members with more organizational power are concerned with their approachability and would prefer to be considered equal in place of having more privacy and a lesser chance of interruption behind a closed door.

Not only was the physical layout of this organization a way in which the value system was communicated, but the way in which the employees decorated their personal office space was also an indicator of the emphasized values. Every member of management had multiple framed pictures on their desks or bookshelves of their significant others, families and pets. Every member of management is a parent and that was evident in the handmade ceramic mugs boasting the word, “Dad” or “Mom” that sat on their desks, in the various drawings that adorned the walls, and in framed awards in the name of their child that were hung proudly. Although, at first glance, this obvious physical representation of family may just seem like the members of management simply enjoyed decorating their office with their children’s art and crafts, it was after talking to an employee in the accounting department that these choices appeared to carry much more weight. The employee explained their appreciation for their bosses’ tastes in office ornamentation: “It’s nice seeing how invested my bosses are in their families and being encouraged to have pictures of my own children on my desk. It reaffirms that not only does this company understand we all have families that we are working hard to provide for, but that the company itself is like a family and we must all work hard together in order for it to thrive.” Other than the color of the carpet and choice of bronze for the door handles, nearly every decision made in regard to the architecture and physical aspects of this organization were strategic decisions made in order communicate the values embodied by the company.

Verbal and Nonverbal Familial Communication within the Organization

This theme of verbal and nonverbal communication was an interesting indicator of the values that were seen as important within this organization. In addition, it was interesting to see how the familial members of the organization understood that they needed to be aware of how they communicated with each other so as not to differentiate themselves from those employees who are not members of the family. Mr. Green* pointed out the fact that since his siblings and himself were all raised under the same roof, all went through the same type of private Catholic schooling and were all taught the same moral code, they are already all on the same page in terms of what values must be prevalent within the business. Mr. Green stated that the portrayal of values, “comes from the top down – it’s all in how your actions are to the people, your clients and employees.” The way that the members communicate with each other is strategic and meant to be an obvious communication of values – they communicate with mutual respect and honesty.

The fact that the members of management see it as a part of their job description to communicate the value system of the organization through their communicational behaviors was made evident by how I was treated during my participatory observation. Every single member of management went out of their way to introduce him or herself to me and made a noticeable effort to put me at ease and ensure my comfort. They obviously did their research on my background because they asked me question about my schooling, major, and other topics that were specific to my life. This demonstrated to me, an outsider, that the company greatly valued respect and equality. This value system and the effectiveness of the management team’s ability to lead by example was solidified when I noticed that all of the employees of this organization, even those who were not necessarily one hundred percent certain of who I was, all offered some form of greeting – be it a nonverbal smile, a wave, or a verbal “hello”. This experience was a heavy contrast from previous experiences where I have be in an organization and the employees either ignored my presence or were concerned with the reasoning behind my presence and questioned me with an accusatory demand for a reason to explain my being there. This contrast was welcomed and just another example of this particular organization’s concern for apparent respect, comfort, and equality among all – employees and clients.

Further, the way in which the siblings understood that their comfort with each other could dampen their coworkers feeling of equality was a nonverbal way in which the management team communicated the company's value of equality.

> We try really hard to be aware of our presence in the office and understand that six siblings in management can be a bit intimidating. Usually, like today when it happens without our intention, we notice people in the office staring or whispering curiosities, and we completely understand why it tugs at their curiosities, even if we're just discussing our upcoming weekend plans. We all grew up together, and although we argue about aspects of the company at times, we have a deeper understanding of each other and try hard not to draw a line in the sand between us and the rest of the office subconsciously.

Mr. Green*'s obvious concern with his employees' comfort, or perhaps his concern with his image being that of a "fair leader", shows that he values a sense of equality and comfort within the workplace. Although he understands that the communication between himself and his siblings is going to go a bit easier and go more smoothly than conversations with those who do not have the same extensive familiarity, he explains that the siblings make an effort to keep this difference as toned down as possible. Although it may not be obvious to the majority, this is a nonverbal way in which the siblings communicate the value system with the nonrelated members of the organization.

The way that the siblings regard their father, the original creator and boss of this company, is also a communicational portrayal of the organization's value system. As explained by Mrs. Pink*, although her father has technically been bought out of the company by his children and is no longer technically a member of management nor is he on the payroll, his office has not changed and awaits for his usual visits, he is invited to the majority of meetings, and his children do not urge him to stay out of their business even though his opinions are often outdated and frustrating. Mrs. Pink* explained that their father is a living example of all the values their company is based off of: “he taught my brothers and I our moral code through example, he created this company, and he continues to be a living example of the morals expected from every employee of this company. We have the utmost respect for him and even though he may get on our nerves sometimes, we still treat him like our boss.” Even though the father is no longer the boss, he is still treated as such because of his years of hard work that were put in and therefore he has earned his respect – this is a demonstration of the values of respect of hard work encompassed by this organization.

Lastly, even if an individual is not related by blood to the owners of this organization, the owners see their company as an all-encompassing family affair, be it there is a blood tie or not. Unfortunately this research study did not interview non-related employees of the family business and therefore it is not known if the unrelated members of this organization also feel this “familial” bond within their workplace. The company tends to morally, as well as financially, support their employees when they experience familial, mental, or physical health impairments. Every employee has the option to “donate” their paid vacation days and paid sick days to an individual who is in need of a break due to health reasons, but financially cannot go without pay. The members of management make sure to keep their employees notified if an individual is in need, and then they also keep every one updated on the state of said individual’s health throughout the process. Mr. Green* said that he has visited many hospital beds to hand deliver cards, prayers, and well wishes. He believes these actions are meant to show the employees that if they work hard and are good people, the company will support them if times get rough. This fact is communicatively expressed verbally and through actions.

Organizational Pride

The stories that this company chooses to boast about within the company are significant communicative demonstrations of the values embedded within the organization. This company has a newsletter that is distributed by mail to the home of every employee and within this newsletter there are specific employees whose stories are featured as well as honorable mentions that describe morally sound actions that individuals did while on the job. Mr. Green* described a situation where his employee received acknowledgement for pulling over his car when he noticed a seven-year-old girl wandering in a deserted field on the side of a highway. The employee approached the girl and when she told him that she was lost, he called the local authorities and waited with the girl until they arrived to ensure her safety. He was on the company's clock during this situation, which took over an hour, and made sure to tell his manager that he did not expect to be paid for that hour and he also apologized for it resulting in a late delivery. Mr. Green* said they company did indeed pay him for all the time he was with the girl, they thanked him for helping the girl, and they gifted him with a monetary reward for his good deed:

> In regard to recognizing employees for their honorable acts, our company has named them employees of the month or quarter, we always detail their story in the company newsletter that goes out to everyone, and actually, a few months ago we gave a gentleman two round trip tickets to anywhere in the US with our company miles in order to show our appreciation for his dedication to follow such a grand

> value system – this gentleman risked his life on the side of a road pulling a child out of a flaming vehicle.

This organization's dedication to honoring those who are selfless, sometimes at the expense of the company, demonstrates the owners of the organization's high regard for values and ethical behavior as opposed to solely being concerned with financial gain.

In addition to expressing organizational pride by publishing stories of good deeds performed by this organization's employees, this company also promotes organizational culture with their summer events of company picnics. At these events, the non-related employees are encouraged to bring their family for a day of fun and prizes. The majority, if not all, of the members of management are required to attend each company picnic, even though some are located up to eight hours away from the main office headquarters. Mr. Green said that this use of company picnics is not only to give back to their employees, but to show their employees that their organization values time with family and pride in their work: "we encourage our employees to bring their families to the reunions because it shows them that we value their lifestyle, we also give every employee a shirt with our logo on it and the option to get more shirts for their family members – we do this to show our employees that we are proud of them and trust them to be positives role models of our brand."

Discussion

The findings of this study reaffirm the notion presented by Sorenson (2013) that, "family businesses are unique in that they may give priority to values that accomplish the purposes of both family and business – moral and competence values," (p. 117). As demonstrated by the observed company's dedication to applauding and awarding their employees who acted in ways that exemplified a high moral ethic, for example, the employee who saved the girl lost on the side of the road, even when it was done at a cost to the organization. This organization's obvious dedication to embedding their value system in each of their employees through their use of physical space and communicative efforts is a wise investment of time and effort in terms of the functionalist viewpoint of organizational culture. It is theorized that a shared set of values among the members of an organization help said organization to survive in a changing environment and adapt to its surroundings (Cheney et al., 2010, p.87). This studied organization utilized this theory and, as a result, the organization has a strong set of universal values among the employees and has successfully survived succession into ownership of the second generation – an impressive feat to be achieved considering, according to Barker et al., (2004) 70% of family businesses fail before reaching the second generation (p. 292).

This organization's strong regard for their value system and their dedication to promote this value orientation on a daily basis through their actions and words support other researchers' findings that a universal value system within an organization is an integral ingredient to success: "It seems that the process of sharing values and the organizational cultures in a business is a key issue for minimizing conflicts and leading the organization to success" (Barter et al., 2004, p. 309). This research goes one step further and demonstrates that not only is a universal value system throughout the organization necessary, but also said value system must stress moral values more so than competence values. This organization encouraged their employees to be honest, respectful, to promote equality and to be hard workers. The promotion of these values assisted in succession because respect was a value so heavily abundant in the siblings, which was evident through their tolerance of their father's input even after they bought him out of his position of ownership. This supports Handler's (1991) findings that the level of respect and understanding between the founder and the next-generation family members are critical to a successful succession (p. 23). These findings are consequential because they suggest that family businesses could drastically improve their succession rate by incorporating measures that promote mutual respect between the parents and the next generation early on so that such behaviors are second nature.

It is clear that the breaking down of barriers and creation of an environment that promotes equality is crucial for organizational success within the environment of a family enterprise. The managerial family members of the business feel it is necessary that the workforce as a whole not be distinguished or separated by bloodlines: every individual must feel comfortable in their organization and equal to the family members in order for the values to be properly dispersed and integrated among the employees. This idea is evident in the fact that the observed company is very successful, when so many like companies are not, and they strongly stress the importance of equality and open communication among the entire organization, so much that they revamped their office building to physically portray this notion of openness and equality. This notion of the necessity of equality among the workforce is also supported by a study done by Timm (1978): “this exploratory study presents support for the conclusions that there exists an equity expectation among works vis-à-vis their supervisor’s communicative behavior toward them,” (p. 22). Workers expect their superiors at work to treat them equally and negative consequences ensue when said expectation is not met; this expectation remains within family firms.

The findings of this study – the fact that family-owned businesses communicate their moral value systems, which are a marriage of both moral and competence values, through their physical behaviors and space, their actions in the way they communicate, and the organizational pride they promote – are significant contributions to the existing research that has been conducted in regard to family-owned enterprises because they show another level of how these enterprises are fundamentally different from traditional organizations. Family businesses promote a strong sense of organizational culture through a shared moral value system and mutual respect among employers and their employees. This study also gives reason for employers to pay more attention to the architecture and physical state of their office buildings – physical space can either be a contributing factor to the promotion of values and ideals or it can contrast an organization's message. This is important because it begs the question for further research to focus on why the necessity of the value of respect between the two generations within family businesses is not strongly stressed within these organizations even though moral value systems have been found to be defining factors of such an enterprise.

This study, although providing further insight into the communicational dynamics within family businesses, does have limitations worth noting. First, the interview protocol did not address the problems that were faced between the two generations throughout the period of time where ownership was succeeding from the first generation to the second generation. Although information was gathered in regard to how succession is being handled now that the second generation is in ownership, no questions regarding the process of succeeding were asked and few questions directly about the first generation owner were brought up. Also, the first generation owner himself was not interviewed which could have brought forth a more wholesome viewpoint regarding the value system and how it was in the beginning versus how it is embedded in the company now.

Second, because of the small sample size, the findings of this study cannot be deemed universally transferrable without question. This study only observed one family-owned enterprise over the course of two months. In addition to that fact, the participants involved in the observations were all informed ahead of time that researchers would be observing them and the participants were informed when and where these observations would take place. Therefore researchers should continue to observe family businesses across various industries and within various stages of succession.

Lastly, this study was conducted solely in the viewpoint of the familial owners of the business with the exception of slight observations of other members within the workforce. Therefore, an understanding of the entire organization’s response to the value system was not gained. This problem also resulted in the lack of knowledge regarding if the notion of equality put forth by the members of management was noted and accepted among the members of the general workforce. Although it was obvious that the family members wished for equality, this study was not conducted in the viewpoint of the members of the office not related to management and therefore cannot deduce if this organization’s members felt equality within the office or not.

By continuing scholarship in this direction, researchers should be able to discover what is preventing family businesses from successfully undergoing succession and if the incorporation of effective communicative constructs embedded within the organization that stress the importance of a moral value system and equality can improve the family business survival rate of succession.

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