

Ten Clarenwater Thesis Award 2021

*Dutch Centre of Expertise
in Family Business*



Introduction

This booklet presents the results of the 6th edition of the Ten Clarenwater Thesis Award. The Dutch Centre of Expertise in Family Business, part of Windesheim University of Applied Sciences, is happy to organize this award for theses written on the topic of family businesses. One of the distinguishing factors of family businesses is the overlap between the systems of the family, the business and ownership. These systems interact and are interdependent. This has an impact on strategic issues in the business and on the functioning of the family as well. Research will help to better understand these dynamics and to develop instruments to deal with them. Knowledge dissemination is important to make sure that new insights reach the target group, family businesses, advisors and students.

The Dutch Centre of Expertise in Family Business focuses on knowledge development and knowledge dissemination to strengthen the entrepreneurial power of family businesses. The research domain of family businesses is a relatively young discipline, in which the Dutch Centre of Expertise in Family Business at Windesheim has a strong position in the Netherlands. The focus on applied research makes the centre unique. The activities of the centre are funded by Windesheim in combination with external funding from grants and projects.

Summaries of the winning theses can be found in this document. Full theses are available.

Ten Clarenwater Thesis Award 2021: Jury report BSc thesis

In this memo, the jury of Ten Clarenwater BSc Thesis Award 2021 reports the winner of the bachelor thesis award. In addition, the selection process is briefly described.

The jury consisted of:

- **Elyse de Waard**, 2nd generation family member and owner of *BestFix Schuifdeursystemen*;
- **Paulien Hogenkamp**, professional coach for agricultural businesses and business owner of *Hogenkamp Agrarisch Coaching*;
- **Alexander Grit**, professor of Entrepreneurship in Transition at *Hanze University of Applied Sciences* in Groningen.

The jury had the joyful task to read three very interesting bachelor theses and the very difficult task to determine the winner. **The following bachelor theses were assessed:**

- **Joelle Roebroeks** from the *University of Applied Sciences HAS Venlo*, in the Netherlands, **Lizzy Joosten** (*HAS Den Bosch*) and **Manon de Kleijn** (*HAS Den Bosch*), researched the role of spouses on business take-overs within agricultural family businesses;
- **Christine Keller** from the *WHU - Otto Beisheim School of Management* in Germany, conducted research on private equity and family business valuation;
- **Isabeau Jonkers** from the *University of Applied Sciences Windesheim* in Zwolle, the Netherlands, investigated the concept of social sustainability within transport family businesses.

The first thesis by Manon, Joëlle and Lizzy is about the role of the partner in agricultural succession. More and more is known about the importance of communication and the so-called 'soft' side of succession. The role of the partner has, according to the writers, been underexposed until now. Their research has given them more insight into exactly what the role of the partner is, whether people are happy with the succession process or whether things should be done differently. Their thesis contributes to the establishment of a national knowledge centre on farm succession in the Netherlands. We have enjoyed reading the thesis. The relevance of the subject is clear, and the stories capture the imagination. The research design is good and methodologically the research is well substantiated. Very readable and interesting overall.

The second thesis by Isabeau Jonkers describes how the transportation sector can and should become more sustainable on a social level. The importance of this research jumps off the pages. Since corona, working conditions among truck drivers have only decreased, and more and more drivers have had to suffer deprivation in hygiene, social environment and working hours. Isabeau has investigated the role of family businesses in social sustainability: a large share of transportation companies are family businesses. She concludes that many of these companies already do a lot for the social welfare of their employees, but often on an ad hoc basis. If these actions were better organized and regulated, the transport sector would certainly improve.

The third thesis by Christine Keller investigates why it can be interesting for a family business to be (partially) bought by a private equity (PE) investor. In doing so, Christine investigates the ways in which the value of a family business is estimated and how it is possible that this estimate can sometimes differ widely across the negotiating parties. She then also explores how the family businesses and the PE investors can come closer so that a sale can still take place. The jury was very impressed with Christine's methodology. Her thesis is logically structured, and her models help clarify complex issues. Her thesis is highly recommended for family businesses that are preparing for a business transfer. Certainly, if selling (a part of) the company is one of possible outcomes of the transfer process.

After thorough deliberation, we decided to award Isabeau Jonkers this year's thesis prize. It was a close race between Isabeau and Christina; in the end, due to the social impact and practical implications, we decided to give the prize to Isabeau. Good research design, relevant and innovative research. Congratulations! We would also like to use this moment to thank the other entries once again for their contribution. We are also impressed by your theses, and we wish you all a great career!

Elyse de Waard
Paulien Hogenkamp
Alexander Grit

Ten Clarenwater Thesis Award 2021: Jury report Master thesis

In this memo, the jury of Ten Clarenwater Master Thesis Award 2021 reports the winner of the master thesis award. In addition, the selection process is briefly described.

The jury consisted of:

- **Coen Rigtering**, assistant professor in Strategy and Organization at *Utrecht University School of Economics*;
- **Klaas Korterink**, Account manager economic affairs at the government organization *Provincie Overijssel*;
- **Marieke Janus**, legal counsel, mediator and owner at *Janus Legal en Mediation*.

The jury was pleasantly surprised to review three well written master theses. The jury wishes to thank all candidates and their mentors for their participation. **The following master theses were assessed:**

- **Roel Jansen**, from *Tilburg University* in the Netherlands, researched whether European business succession facilities are necessary and efficient regarding the acquisition of shares;
- **Elle van der Heijden**, from *Tilburg University* in the Netherlands, conducted research on helping family firm owners in de COVID-19 crisis, by creating work-family enrichment;
- **Sophie Hennekens**, from *Nyenrode Business University* in the Netherlands, investigated the influence of family involvement on corporate social responsibility, more specifically the effects on the family's ability and willingness on the business behavior.

The jury applauds first of all the relevance of the topics studied by Roel, Elle and Sophie. Roel Jansen wrote his thesis on European business succession facilities and questions whether they are necessary and efficient from a legal perspective. This topic is highly relevant for within-family successions in family businesses and frequent topic of discussion among policymakers. The jury members agreed that the research findings of this thesis are first highly relevant to stimulate a discussion regarding the substantiation of the succession facilities for Dutch family businesses. Second, the thesis discusses alternatives to the current succession facilities for Dutch family businesses in terms of finance. The thesis is well structured, and the within-conclusions supported the readability of this lengthy and elaborate piece of research.

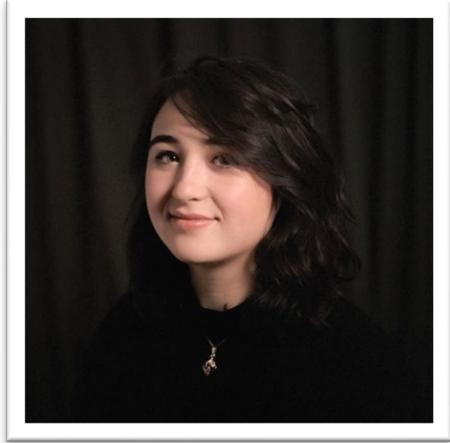
Elle van der Heijden wrote her thesis on how family firm owners manage the work-family interface in the context of the COVID-19 crisis. Using theory on boundary management, she describes the boundary control tactics used by family firm owners. With this thesis, Elle provides nice illustrations of boundary management theory in the context of family owners during times of crisis.

Sophie Hennekens wrote her thesis on one the most current topics, namely on the role of family firms in addressing societal challenges. More specifically, the thesis discusses whether family involvement in ownership, management and governance has any impact on the corporate social responsibility behavior of the family business and the mediating role of non-family-oriented goals and family-oriented goals.

To select a winner among these candidates, the jury paid significant importance to the credibility and usability of the research findings. In line with juries of earlier editions, the jury likes to encourage students as well as their mentors to find a good balance between academic rigor and practical relevance. We stimulate more attention being paid to both policy and practical implications of the research findings. In line with the importance of these criteria, the Ten Clarenwater Master Thesis Award prize winner in 2021 is Roel Jansen. Congratulations Roel with this achievement!

Coen Rigtering
Klaas Korterink
Marieke Janus

Members of the jury | Bachelor



Elyse de Waard

2nd generation family member and owner of BestFix
Schuifdeursystemen



Paulien Hogenkamp

Professional coach for agricultural businesses and
business owner of *Hogenkamp Agrarisch Coaching*



Alexander Grit

Professor of Entrepreneurship in Transition at *Hanze
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Members of the jury | Master



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Summary of the winning bachelor thesis

Isabeau Jonkers

Social sustainability in transport. 'A family business': An explorative research on how family businesses operating in the international road transport sector can ensure the welfare and social sustainability of their employees.



There was already a pandemic before the coronavirus hit Europe, specifically the pandemic of exploitation. Road transport has been ill for a long time and the industry is plagued by exploitation, human rights violations, and illegal practices. Studies show that in the international transport sector there are staff shortages, illegal practices and it is becoming more difficult for drivers to travel hygienically due to the COVID-19 pandemic. Since there are approximately 11,000 family businesses in the logistics sector in the Netherlands, research has been conducted on family business in the international road transport sector. The aim of this research is therefore summarized in investigating social sustainability and what (feasible) strategies are to guarantee social sustainability. This leads to the central question: "What is the feasible strategy for family businesses in the international road transport sector to ensure the social sustainability and welfare of their employees to meet the goals of the 2030 Global Agenda?"

It shows that a unique and defining element of a family business is that there is an overlap of the sub-systems family, business, and ownership. Individuals in a family business can play multiple roles simultaneously and different interests can play different roles. Family firms also have four success factors, namely continuity, community, connection, and command. These factors show that a family business has a long-term focus and continuity and looks to the future to continue the business and hand it over to the next generation. In addition, family businesses are unique in that they want to preserve socio emotional wealth (SEW) and pursue a combination of social-emotional and financial goals with the company. Social sustainability is seen as good employment practices and reducing inequalities following the Sustainable Development Goals. Social sustainability is really about the people aspect and fair working and living conditions.

The research shows that family businesses have as drivers for social sustainability the preservation of socio-emotional wealth (SEW), corporate identity, continuity, reputation, stakeholders, religion, financial aspects, family feeling and contributing to a better world. Maintaining SEW is also a goal in itself and the value and motivation of this is very intrinsic.

The obstacles of family businesses on the road to social sustainability are very diverse. Obstacles include exploitation in the international transport sector, the consequences and restrictions surrounding the COVID-19 virus, staff shortages, the role of Europe and part-time work.

The most important discovery is that family businesses in this sector do an enormous amount for their personnel, but that this is simply not incorporated into a strategy. The family businesses want to be involved with their staff and the environment, and reliability and loyalty play an important role in this. The family businesses appear to have little knowledge of the SDGs, but they do flesh out the social themes of these goals in their own way. Despite the fact that the actions are not recorded, family businesses undertake many actions spontaneously or from the principle of being a good employer. The actions vary from those related to the vitality and health of personnel to activities and the balance between work and private life. They also enter into partnerships with external parties and implement certain policies. The family businesses want the best for their staff, and social actions are quite normal for them and do not need to be laid down in the strategy. So, among the interviewed family businesses, very little is documented when it comes to social sustainability. Nevertheless, they try to do so through surveys, satisfaction studies and personal contact.

There are three strategies, which are seen as tools to bring more structure to the strategy of social sustainability in family businesses. The strategies are those of the SDG Compass, Kumar and Anbanandam, and the OECD. The OECD strategy is a precursor to the Global Agenda 2030 with the SDGs and the Kumar and Anbanandam strategy proposes a holistic framework with 7 new attributes to specifically measure social sustainability in the international road transport sector. Furthermore, the SDG Compass is a new global sustainable development agenda for 2030 with several targets. The SDG Compass is ultimately chosen as a useful strategy to help family businesses structure their social sustainability strategy. The SDG Compass strategy is best suited to ensure socially sustainable business operations and employee welfare. The Compass has 5 accessible steps to implement (social)sustainability in business operations and because these steps are global and belong to the UN Global Agenda 2030. The steps are clear and applicable for many companies and this roadmap is usable until at least 2030, when new SDGs will be established.

The research shows that family businesses do a lot for the staff but do not formalize this in a strategy. Most family businesses are also not aware of the SDGs when it comes to social sustainability and implement the themes in their own way from the perspective of the family business. The research shows that the interviewed family businesses do not actually have a strategy for social sustainability. Therefore, the SDG Compass was chosen as a guideline for structuring and implementing a strategy for social sustainability. The 5 simple and accessible steps make it easier for family businesses to think about what they want to capture, what their priorities are and how they want to implement this in a strategy.

The findings are that the interviewed family businesses in the international transport sector are good employers, take good care of their staff and the environment and do not only work from a financial motivation but want to maintain socioemotional wealth. The results of this

exploratory study led to the conclusion that the family businesses do not act according to a strategy when it comes to social sustainability, but from an intrinsic motivation to be a good employer, to strive for continuity, and from the point of view of contributing to a better world. This research advises the DCEFB to organize information sessions for family businesses in order to translate the information from this study into advice for family businesses. One option could be to do this in cooperation with their already ongoing project Family Next, which also includes sustainability.

Summary of the bachelor thesis by candidate Christine Keller

Private Equity and Family Business Valuation: How to Value the Family Business for a Private Equity Takeover?

The thesis investigates to answer the following research questions:

- How do the internal valuation methods and resulting price expectations of family businesses and private equity investors differ?
- How can transactions be realized despite different price expectations, and how do bridging elements impact the negotiation process?



Based on these research questions, the thesis aims to provide profound insights into the internal price determination and negotiation processes of family businesses and private equity investors. To generate qualitative data, a total of 20 interviews with family businesses, private equity investors, and professional external advisors were conducted.

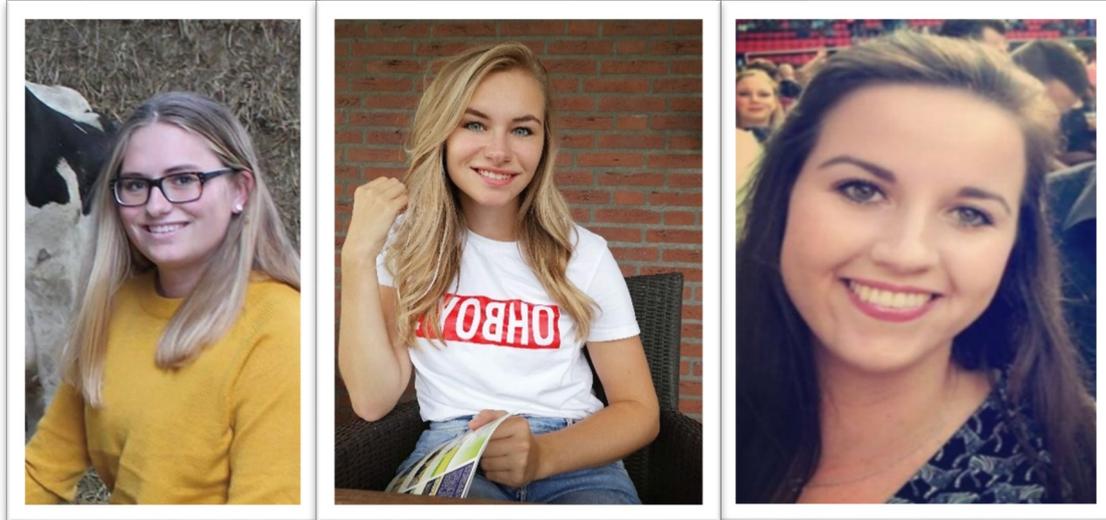
The research, its results, and recommendations are of significant relevance for researchers and all parties interviewed. The study aims to bridge a crucial gap in the current literature, which revealed that family businesses and private equity investors' price determination approaches and negotiation processes are only insufficiently researched. Many family businesses cannot muster sufficient financial resources and capabilities to enable expansion and generational succession, resulting in sales to private equity investors being a desirable option. Also, from a private equity investor's perspective, family businesses constitute an attractive investment opportunity due to business-related and individual motives. However, discrepancies in price expectations frequently hinder transactions, making the results of this thesis highly relevant for family businesses and private equity investors.

In terms of the results, this thesis observed that family businesses and private equity investors strongly diverge in the dimensions of their individual and economic motives to engage in a transaction and the hurdles they encounter in the transaction processes. From the family business perspective, the owner-manager evaluates the company depending on the level of professionalism and emotionality, according to qualitative or quantitative approaches. However, private equity investors calculate a value based on the multiple method, the DCF method, and by considering value-enhancing and value-decreasing qualitative factors. If the parties encounter discrepancies in the transaction price perceptions, individual monetary and non-monetary agreements can function as bridging elements. During the transaction process, professional advisors render a significant contribution as they are significantly improving the

negotiating positions of transaction inexperienced family businesses. Besides, the negotiating positions of the involved parties and transaction prices depend on the supply of target investments and the demand by (private equity) investors. Lastly, the thesis revealed that the owner-manager usually defines a minimum transaction price to which he converges if the transaction's soft factors and/or the bridging elements seem particularly attractive.

Based on these results, the thesis derives recommendations for family businesses and private equity investors to reduce the risk that transactions are not executed due to conflicting price expectations. Owner-managers of family businesses should consider the proposed monetary and non-monetary bridging elements, which allows them to reflect on their reasonableness before entering the negotiation. Private equity investors are advised to adjust to the unique emotionality of owner-managers of family businesses and present them with relevant investment concepts to increase the transaction probability significantly. In addition, both parties are encouraged to involve a professional advisor to overcome both hurdles in the transaction process and discrepancies in price expectations.

Summary of the bachelor thesis by candidates Joelle Roebroeks, Lizzy Joosten & Manon de Kleijn



What if your spouse is a farmer? The role of spouses in agricultural farm acquisition

The purpose of this research paper is to understand the role of the spouse during the agricultural acquisition process and to identify the expectations and needs of spouses in the agricultural sector. The acquisition process in agricultural businesses is becoming increasingly complex. In order to offer agricultural entrepreneurs and stakeholders more guidance and advice about takeovers, the government has made 1.8 million euros available to conduct research into this so that a knowledge center for agricultural company takeovers can be established in the future. Since May 2020 HAS University of Applied Sciences has been working on this research together with seven other agricultural colleges.

Agricultural life is known as a 'way of life'. For the agricultural entrepreneur, it is natural that he/she is always on standby for the agricultural business. The business successor will continue the business, which has sometimes been in family ownership for generations. But what are the wishes and needs of the spouse of the farmer during the takeover? Hence the question, "To what extent should the role of the spouse in the acquisition process of a family farm be improved?"

To gain insight into the role and the wishes and expectations of the spouse, an online survey was prepared and in-depth interviews took place with spouses, successors and transferors. For additional depth, in-depth interviews were also held with five outsiders.

The acquisition process at agricultural companies is complex because it is usually a family business, which means that private and work life merge into one. Each acquisition process is unique but goes through a number of phases: the orientation phase, the cooperation phase, the acquisition phase and after the acquisition. The duration of these phases cannot be determined because it varies from farm to farm and the phases flow into each other. Over 92%

of farms are family farms. The spouse of a farmer goes through different roles in a family farm such as perhaps life partner, employee and parent at the same time. When a child starts working in the farm, the parent also becomes a colleague of the child. The most important element within a family and a business is communication. There are two types of communication: open and closed. A family with open communication often has few rules, this can cause problems in the hierarchy in the company. With closed communication, there is less talk about one's own feelings and thoughts, this can have an impact on the business acquisition process.

In total 266 respondents completed the survey and 30 interviews were held with the spouse, business successor and transferor. A distinction is made between partners who are not yet involved in the agricultural acquisition and spouses who are involved in the agricultural acquisition. Spouses who are not yet involved usually want to continue working outside the home and help out on the farm when necessary. Spouses who are involved also want to help out on the farm when necessary, as well as to be involved as sparring partners in business decisions. The role of each spouse is unique because of the different family systems and ways of communication. Uninvolved spouses prefer to see the household equally divided between spouse and successor. The spouse steps into a family system where the roles are already fixed, so adjustment is necessary. There are some important wishes and needs of spouses: more privacy, less bondage and a better relationship with transferees.

Spouses mainly need recognition and understanding. It is advised to establish a sparring group with other partners where recognizable situations and experiences can be communicated. In addition, it is recommended that a guidance program be developed for the transferring party so that there is more aftercare for the role change when leaving the agricultural business.

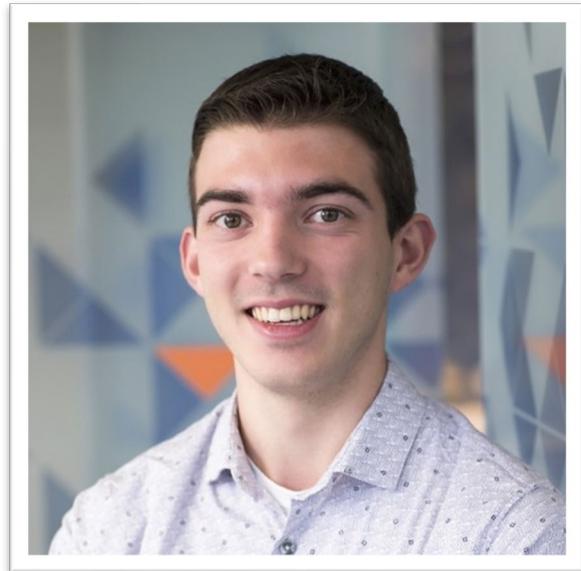
Many spouses need more agricultural/financial expertise. The knowledge center could play a role in this by providing a glossary of terms and a step-by-step plan on the agricultural business takeover. In addition, it is important that sensitive aspects are addressed by an independent specialist to avoid conflicts in the future.

Finally, the most important tip from partners to other spouses is: Communicate openly and honestly about your wishes and expectations and stand up for your own rights by making timely arrangements with the business successor.

Summary of the the winning master thesis

Roel Jansen

The European business succession facilities regarding the acquisition of shares: necessary and efficient?



The business succession arrangement in the Inheritance Tax Act 1956 (hereinafter referred to as the BOR) is receiving a great deal of attention. For example, the Bouwstenen report mentions making the BOR more flexible as a policy option. In July 2021 the Lower House actually adopted two motions to improve the BOR.

In my research, a (partial) policy review was conducted of the various equivalents of the BOR in European countries. The necessity and effectiveness of the BOR have been examined. The research was carried out on the basis of the quality requirement of subsidiarity and proportionality, The research was carried out on the basis of the quality requirements of subsidiarity and proportionality, as laid down in the policy document Focus on Legislation. The countries studied are: Netherlands, Belgium, Germany, France, Ireland, Italy, Spain and the United Kingdom. Belgium consists of three regions, namely the Flemish Region, the Brussels Capital Region and the Walloon Region. These three regions all have a different equivalent of the BOR.

First of all, the assessment framework is elaborated. The subsidiarity and proportionality requirements follow from the Visibility of Legislation note. Whereas the subsidiarity test is mainly about whether the government should intervene, the proportionality test is about how far the government should intervene, if intervention is necessary. The proportionality test is also about the proportionality of the measure taken. First of all, the legislator must have sufficient knowledge about a subject. With this knowledge he can then weigh up whether the measure is necessary. In this assessment he must take into account any alternatives that are less drastic. The legislator also has to determine the objectives of a measure in a concrete and precise way. If the necessity of a measure has been established, he must check whether the principle of proportionality has been complied with. This principle implies that the government should not intervene further than necessary and that the measure taken should not go beyond what is necessary.

Next, the objectives and justifications of the business succession regimes of the countries studied were outlined. First, the various calls made by the European Commission to the member states to take measures not to prevent or impede the transfer of business successions were considered. One of the recommendations was to reduce gift and inheritance

taxes resulting from business transfers. Most member states refer to one or more of the recommendations in the parliamentary history.

In addition, the various legislators cite ensuring the continuity of the transferred business as an argument for introducing a business succession facility. As a result of the gift and inheritance tax to be paid, this continuity could be jeopardized to such an extent that the business should be discontinued, according to some legislators. Furthermore, the legislators of several countries have cited the preservation of employment as a justification. Also, some countries aim with their business succession regulations not to inhibit investment. In none of the countries is the need substantiated on the basis of an empirical analysis, or the beginnings of one. In my view, legislators who argue that businesses should be discontinued as a result of the gift and inheritance tax to be paid should at least provide something of a numerical justification.

Thereafter, the study elaborated on the functioning of and conditions for the European (equivalents of the) BOR under consideration. After the explanation of the (equivalents of the) BOR, the necessity and proportionality of the (equivalents of the) BOR were discussed. The necessity was assessed by means of an analysis of the functioning of the financing market. This analysis was made because a liquidity problem is nothing but a financing problem. The gift and inheritance tax to be paid can be regarded as the 'purchase price' of the business. After all, someone who buys the business at an arm's length price must also seek financing if he cannot meet the purchase price from his own resources. Therefore, paying gift or inheritance tax can be seen as a financing problem.

The analysis of the current state of the financing market in the countries studied has led to the conclusion that there are market failures. Asymmetric information and lack of collateral are the main factors causing the market failure. Furthermore, smaller companies have a harder time obtaining financing than larger companies. In fact, without prompting by the results, banks consider smaller firms to be riskier than larger firms. This is because smaller firms are generally able to provide less collateral and are generally less transparent, so that there is more asymmetric information here.

Furthermore, family firms have more difficult access to the financing market than non-family firms. In general, the solvency of family firms is higher than that of non-family firms. However, there is an aversion among family firms to debt financing, so family firms attract less debt than would be expected given their solvency. For the bank, the costs of assessing the risk are high, partly because the qualities of the business successor must be estimated. Banks generally have little confidence in the qualities of the acquirer of a family business and will not always finance the goodwill associated with the acquisition. In addition, family businesses are more reluctant than non-family businesses to provide information to a bank.

This financing problem does not have to be solved in the tax code. Also, other problems, such as the unsuitability or poor preparation of the business successor, often pose a bottleneck in business transfers. In combination with the fact that none of the legislators has substantiated the need for an (equivalent of the) BOR numerically, the above leads to the conclusion that the

need for government intervention through tax legislation has not been established. Government intervention in the financing market is more obvious. Because government intervention in tax law cannot be considered necessary, government intervention in tax law always goes beyond what is necessary. Therefore, on the one hand, the measure may not be proportional (proportionality of government intervention). On the other hand, a fiscal measure would be proportional if it only solves the financing problem: for this purpose, a deferral of payment arrangement is sufficient (proportionality of the measure taken).

A solution to the problems on the financing market could be a non-tax credit facility, whereby the government guarantees repayment of a loan granted by a financier. In this way the government intervenes in the market where the market failure occurs. In addition, with such a facility the government tackles the problem that many companies, especially small ones, have difficulty providing collateral.

Summary of the master thesis by candidate Elle van der Heijden

Creating work-family enrichment that helps family firm owners in de COVID-19 crisis; a study that brings some positivity during the crisis

Can you imagine having two roles simultaneously? Every individual who works in an organization has two roles; a role in their family and a role in their working environment. The interdependencies between the work and family domains define the work-family interface (Powell, 2017). Boundaries between the domains separate or integrate the roles and domains. In family businesses, the work-family interface is closely intertwined because a family firm



owners' work role easily interrupts the family domain and vice versa. Therefore, the boundaries between the roles are vague and blurred in family businesses (Edwards & Rothbard, 2000; Michael-Tsabari, Houshmand, Strike, & Efrat Treister, 2020). These vague and blurred boundaries accelerate negative consequences and lead to work-family conflicts (Sundaramurthy & Kreiner, 2008). However, Kossek, Ruderman, Braddy, and Hannum (2012) argue that if an individual controls the boundaries between the work and family domain, the individual can create work-family enrichment. Work-family enrichment entails creating synergies between the work and family domain (Greenhaus & Powell, 2006; ten Brummelhuis & Bakker, 2012), and can improve an organization (Wayne, Musisca, & Fleeson, 2004). In troubled economic times, family businesses often survive because of the family's presence (Winter, Fitzgerald, Heck, Haynes, & Danes, 1998), which suggests that transferring resources from the family domain into the business creates an improvement that helps during the crisis. If controlling the boundaries can create work-family enrichment, the question that remains and contains the problem statement is: how do family firm owners control the boundaries between the work and family domain in order to create work-family enrichment that helps during the crisis management stage?.

An individual can control the boundaries by using boundary control tactics. These boundary control tactics are: using other people, leveraging technology, invoking triage, allowing differential permeability, controlling (work) time, finding respite, manipulating physical space and boundaries, setting expectations, and confronting violators. In order to research how family firm owners control the boundaries between the work and family domain, how this control creates work-family enrichment, and if this work-family enrichment helps during the

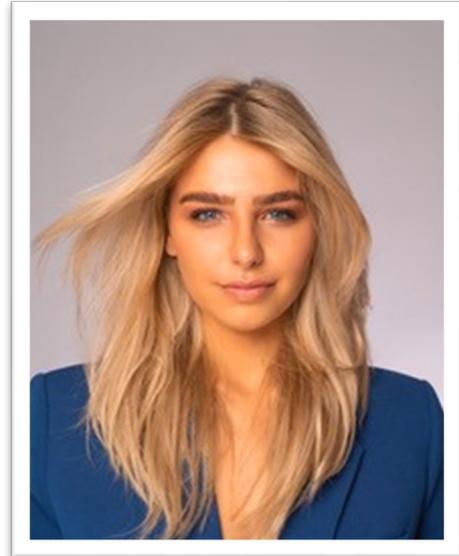
crisis, qualitative research is performed. Sixteen semi-structured in-depth interviews are conducted and analyzed with family firm owners in the context of the COVID-19 crisis.

Family firm owners also use these tactics to control the boundaries and to create work-family enrichment. The use of the tactics allowing differential permeability and finding respite creates a work-family enrichment that helps the family firm owners during the COVID-19 crisis. The researched family firm owners allow talking about the family domain in the work domain, which creates a better understanding of their situation in both domains. This better understanding has helped the respondents during impactful private situations in the COVID-19 crisis. The allowance of visiting the company by family firm members who do not work in the business, creates an attitude from family members to be more willing to assist in the business. This attitude has helped the family firm owners during busy times in the COVID-19 crisis. Additionally, family firm owners remove themselves from the demands of the work domain by going on holiday or having a fixed workday/evening off to recharge themselves for the next workday. Recharging themselves has helped during the COVID-19 crisis since this period is accompanied by stress for many respondents.

Even though these two boundary control tactics have helped the respondents creating workfamily enrichments that help during the COVID-19 crisis, the work-family enrichments that have substantially helped during the COVID-19 crisis result from working with family members. Family firm owners experience shorter lines, better trust, and better support from working with family members, which have helped them in faster and better decision-making during the COVID-19 crisis.

Summary of the master thesis by candidate Sophie Hennekens

The influence of Family Involvement on CSR; the effects on the family's ability and willingness on the business behavior



This thesis aims to provide more insights regarding how family, as dominant coalition in the business, uses its ability in order to influence the behavior of the business through the willingness of the family to pursue specific business goals. Specifically, this research determines the extent to which family involvement in ownership, management and governance in the business influences CSR of the family business and how the non-family and family oriented goals mediate this relationship. The relationships between these concepts are examined using the ability and willingness model described by De Massis et al. (2014). Therefore, the central research question of this thesis is formulated as follows: To what extent does family involvement in the business influence the CSR of the family business and to what extent do the non-family and family oriented goals mediate this relationship? To explore the four variables, namely CSR, family involvement, non-family and family oriented goals, and their relationships, a literature review will be presented first. This literature review resulted in the formulation of six hypothesis to test the relationships between the variables. Thereafter, quantitative research in the form of a questionnaire was conducted. The questionnaire was filled in by managers or owners of MSME's family businesses in the Netherlands. The final dataset consisted of 133 respondents. Among the variables used in this research, multiple definitions and measurements were found in the literature review. First, this thesis defines CSR as a business behavior that refers to two main actions of the business, namely social and environmental actions that benefit the society (Campbell et al., 2002; Campopiano & De Massis, 2015; Gray et al., 2001). Therefore, CSR is defined as the "policies and practices of corporations that reflect business responsibility for some of the wider societal good" (Matten & Moon, 2008, p. 405). Second, the family involvement is defined as the percentage of family involvement in the business through ownership, management and governance of the business (De Massis et al., 2014). The family involvement gives the family the ability to direct, allocate, add and dispose of business resources with regards to the family's and business' goals and visions (Chrisman et al., 2015; De Massis et al., 2014). The third and fourth variables that are studied are N-FOG and FOG, the mediating variables. These N-FOG and FOG are the expressions of the willingness of the family to act and refer to the business goals (Chrisman et al., 2012; Westhead & Cowling, 1997). N-FOG refer to the general goals of the business which contain the business' ambitions with regards to the financial performances such as net profit, sales, revenue or employment size (Westhead & Cowling, 1997). FOG are based on the social

interests of the family and their pursuit of SEW (Chrisman et al., 2012). Only parts of findings in the literature are supported in this thesis. First of all, no significant direct influence of family involvement in ownership, management and governance on CSR was found. Second, family involvement in ownership, management and governance has no direct influence on N-FOG. Third, family involvement in ownership significantly influences FOG in a positive way, whereas family involvement in management and governance does not influence FOG. Therefore, it can be concluded that only the family involvement in ownership has an indirect positive effect on the CSR through the mediator FOG. This application of the ability and willingness model on the business behavior CSR broadened the understanding of the ability and willingness model within the family business field (De Massis et al., 2014). Previous research predominantly used the ability and willingness model in the innovation research, even though this model is considered to be applicable to various business behaviors, including CSR (De Massis et al., 2014). Based on the outcomes of the hypotheses in this study, the application of the ability and willingness model showed, , that the willingness of the family has a significant influence on the business behavior CSR. However, the ability of the family influences only partly, through the family involvement in ownership, the FOG of willingness. Moreover, ability of the family shows no significant effect on the business behavior CSR.

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