



Social network research in the family business literature: a review and integration

Victoria Antin Yates · James M. Vardaman ·
James J. Chrisman

Accepted: 27 July 2022 / Published online: 10 August 2022

© The Author(s), under exclusive licence to Springer Science+Business Media, LLC, part of Springer Nature 2022

Abstract Although studies of social networks in family businesses have proliferated into a sizable literature, the research remains fragmented into disparate strands that lack theoretical coherence. By applying an inductive coding process to 69 articles published in 29 high-impact journals from 1988 to 2020, this review summarizes, synthesizes, and highlights the contributions of social network studies to family business research. Drawing on these results, the review specifically identifies prevailing themes in the literature and outlines a platform for future research. Furthermore, this paper discusses the most important theoretical mechanisms underpinning the connection between heterogeneous family and non-family network ties and family firm outcomes. Overall, it is observed that network structure, social capital, and family

firm-specific network content act as key mechanisms linking family firm networks to performance outcomes.

Plain English Summary According to our review of the literature, the social capital that comes from networks of family relationships is both a key advantage and a potential disadvantage of family firms. The relationships among family members enable the development and sharing of experiential knowledge, strengthen communications and trust, and provide access to human, physical, and financial resources. However, when taken to excess, these relationships can deny family members in the firm access to external knowledge and resources as well as lead to entrenchment and narrow strategic thinking. In this review, we discuss how these aspects of social networks and social capital influence entrepreneurial activities, firm governance and strategy, organizational decision-making, and firm growth.

Supplementary Information The online version contains supplementary material available at <https://doi.org/10.1007/s11187-022-00665-y>.

V. A. Yates (✉)
Spears School of Business, Oklahoma State University,
Stillwater, OK, USA
e-mail: victoria.a.yates@okstate.edu

J. M. Vardaman
Fogelman College of Business, University of Memphis,
Memphis, TN, USA
e-mail: james.v@memphis.edu

J. J. Chrisman
College of Business, Mississippi State University,
Starkville, Mississippi State, MS, USA
e-mail: jchrisman@business.msstate.edu

Keywords Family business · Social networks · Social capital · Network structure

JEL Classification D19 · L14 · L29 · M19 · Y80

1 Introduction

A significant body of family business research emphasizes the importance of family social connections as a distinctive resource possessed by family firms (Baù

et al., 2019; Herrero, 2018; Zellweger et al., 2019). Indeed, social network studies have proliferated in the family business literature over the last decade (e.g., Cabrera-Suárez et al., 2018; DellaPosta, 2017; Mani & Durand, 2019). This body of work offers diverse and significant contributions to the family business literature by discussing how social networks, the webs of relationships and interactions inside and outside of organizations (Borgatti & Halgin, 2011), extend knowledge on topics such as how the structure of family firm networks foster family-specific goals (Seaman et al., 2017), the ways that entrepreneurs rely on family network ties differently across cultures (Foley & O'Connor, 2013), and how family firms can collectively influence regional economic development (Basco, 2015).

Family business studies have also linked network structure, or the attributes of a firm's internal and external networks, to a wide array of family business outcomes including firm startup (Arregle et al., 2015), nepotism in succession (Liu et al., 2015), and non-family employee turnover (Vardaman et al., 2018). As the variety of these topics suggests, the literature has developed in a disparate and somewhat idiosyncratic fashion across multiple subject areas within the family business domain, and often with limited coherence. The findings within topic areas also often lack clarity. For example, research highlights that family firms enjoy an advantage due to dense and closed network structures (e.g., Mahmood et al., 2011; Salvato & Melin, 2008; Wiseman et al., 2012), but there is also evidence that family firms can experience performance advantages when family network structures are fragmented because distant, weak ties provide vital resources for family firms and aid in international expansion efforts (e.g., Jack, 2005; Kontinen and Ojala, 2011; Seaman et al., 2017).

Although these somewhat opaque findings may be at least partially driven by family firm heterogeneity (Jaskiewicz & Dyer, 2017), the uneven growth in social network studies across topic areas, lack of unity in theoretical perspectives, and persistent tensions within the literature demonstrate the need to bring structure and coherence to explain the observed heterogeneity in this developing body of research. A review and synthesis of this literature is both timely and important. Thus, the purpose of this paper is to review social network research on family firms. A comprehensive search identified 69 articles in the literature from 1988 to 2020. Drawing on a systematic inductive coding

procedure, we present a summary of the prevailing themes, synthesize research on focal topics, discuss the theoretical take-aways from the review, and construct a platform for new theoretical advances.

This review contributes to the family business literature research in at least three ways. First, in systematically synthesizing the literature into meaningful categories, we provide clarity on what is (and is not) known about the ways social networks influence family firm outcomes. For example, our review suggests family firms in developing countries vary in their dependence on family ties based on firm goals and resources, but more information is needed to clarify the boundaries of these relationships. Second, in parsing the literature, we arrive at a set of take-aways that inform not only the topic areas within family business research but also the underlying theoretical perspectives that guide research. Third, we identify future research directions that emerge from synthesizing the findings. Taken together, the review's contributions provide clarity and guidance on the theoretical and empirical divergence present in the literature.

2 Methods

Systematic literature reviews are useful tools for capturing themes and trends in literature. To provide a clear understanding of emerging research themes, we utilized an inductive, content-based evaluation of existing literature (Jones et al., 2011; Mochkabadi & Volkmann, 2020; Tabor et al., 2018). Following recommendations put forth in prior work (Braun & Clarke, 2006; Tabor et al., 2018; Tranfield et al., 2003), we defined relevant search terms pertaining to both family firms and social networks. Specifically, we chose search terms that conceptually represented social networks, network brokerage, and network access to resources. We drew our family firm-specific search terms based on established keywords most commonly used in prior reviews of the family business literature (e.g., Daspit et al., 2016; Feliu & Botero, 2016; Goel & Jones, 2016; Madison et al., 2016). Our final list of keywords included the following: *networks*, *social networks*, *network ties*, *centrality*, *structural holes*, *closeness centrality*, *network density*, *network closure*, *network brokerage*, and *betweenness centrality* in conjunction with *family business*, *family enterprise*, *succession*, *family social capital*, and *family*

firm. To ensure the quality of the research included in the review, we limited our searches to abstracts and titles of peer-reviewed academic journals.

2.1 Data collection

Following previous work, we performed a keyword search in the Ebscohost database among the 34 most influential management journals publishing family business research identified by Chrisman et al. (2008), which yielded 20 articles. The websites of these 34 journals were also searched manually, providing 15 additional articles. Although they were not included in the initial list, we manually searched in *Journal of Family Business Strategy* and *Journal of Family Business Management* due to their growing influence in the field of family business. This yielded 11 further articles. In addition, we manually searched *Social Networks* owing to its topical focus on network studies, yielding one additional article. We then followed Daspit et al. (2016) and Tabor et al. (2018) and used our keywords to search titles and abstracts in the Ebscohost Business Source Complete database; this search identified another 18 relevant articles. Finally, using a snowball sampling approach, we reviewed a sample of the reference sections of the fifteen most cited articles (representing roughly twenty percent) in our review for additional studies on networks and family firms. This final search produced four additional manuscripts, resulting in a sample of 69 articles drawn from 29 journals. The earliest article appearing in 1988 provides us confidence in our review as it was published two years following the founding of the Family Firm Institute, which marked an increased salience of family business scholarship.

2.2 Data synthesis

To identify underlying themes in family business social network research, we used a three-step inductive coding process (Tabor et al., 2018). The first step in this process involved reading each article and using an open coding process. Codes at this stage included independent and dependent variables, level and method of analysis, key findings, operationalization of network ties, theoretical underpinnings of the study, research purpose, and other factors (see Appendix 1). Following this round of open coding, we further distilled the codes into emergent themes

(Strauss & Corbin, 1990). Through this process, we created 11 s-order themes: minority entrepreneurship, economic development, family involvement and entrepreneurship, founder and top management group networks, family firm network structures, governance, knowledge competencies, financial decisions, organizational operations, succession, and expansion.

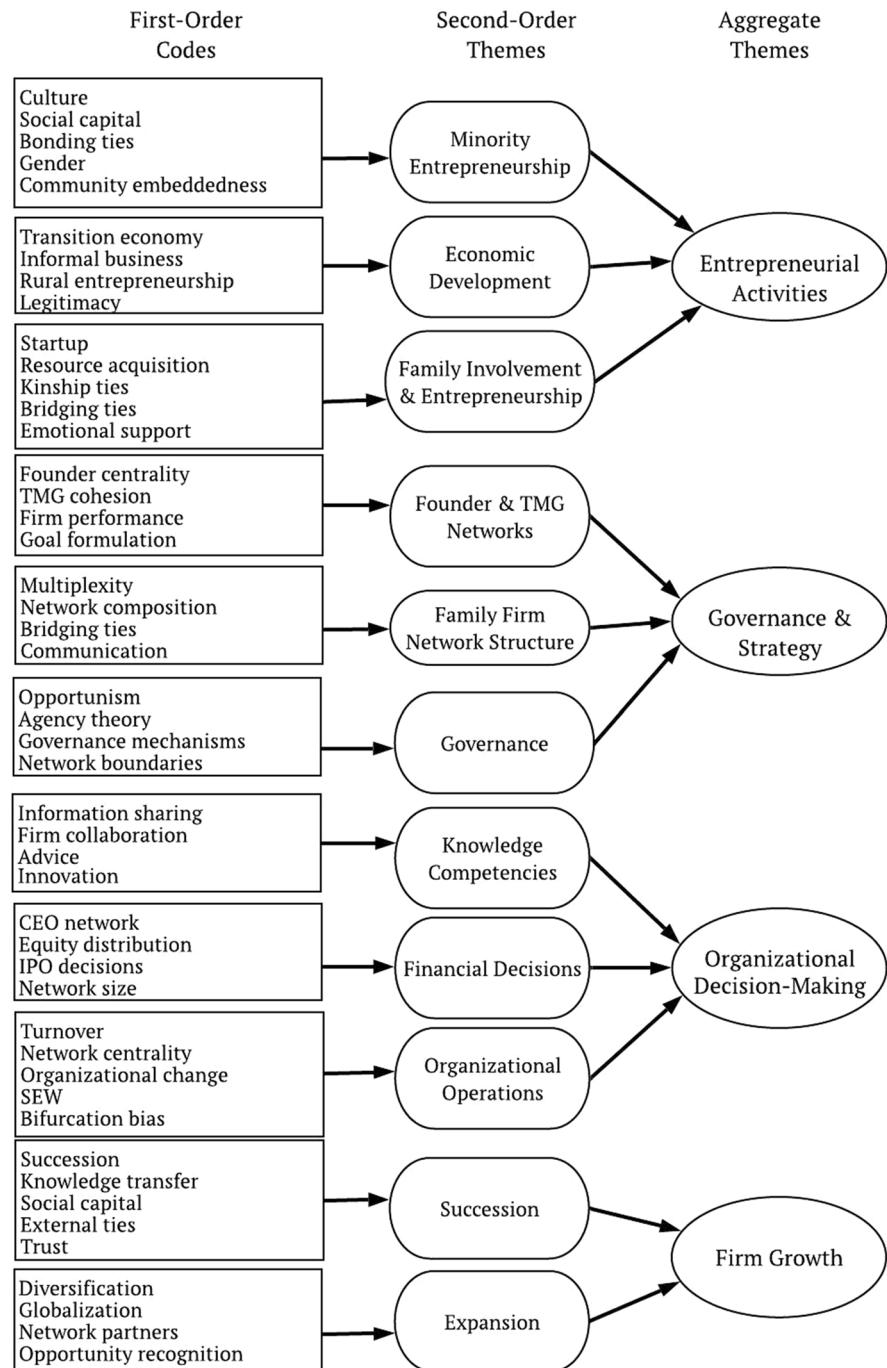
Finally, we examined the emergent themes from the literature identified in step 2 and more deeply refined their core meaning. Specifically, we consolidated these 11 themes into four aggregate themes of entrepreneurial activities, governance and strategy, organizational decision-making, and firm growth, as shown in Fig. 1. Although we present our findings by describing the 11 s-order themes, our review is structured around the inductively identified aggregate themes that represent the underlying concepts in the literature. The results indicate literature that has yielded considerable insight into internal and external family firm relationships but has lacked the coherence needed to develop an integrated understanding of the influence of social networks in family firms. The results that follow provide the feedstock for unification and synthesis of the literature.

3 Results

Of the 69 articles we identified, 71% have been published in either family business or entrepreneurship journals (see Fig. 2), and 61% have been published in the last 10 years (see Fig. 3), with the overall rate of publication of studies of social networks in family businesses increasing. As Table 1 shows, 23.2% of the articles are based on qualitative methods (e.g., unstructured interviews, case studies), and another 24.6% is composed of theoretical work. Quantitative research constitutes 49.3% of the studies, and mixed methods studies account for 2.9% of the literature. In total, 46.4% of the articles examine how networks affect family firm social capital; kinship ties, tie strength, and centrality are also among the most researched characteristics of family business networks (see Table 2).

3.1 Entrepreneurial activities

The role of family networks in entrepreneurship is well established (Aldrich & Cliff, 2003). Nascent entrepreneurs draw on kinship ties for social and

Fig. 1 Structure of the family firm social network literature

financial capital (Greve & Salaff, 2003). Family tie multiplexity, referring to the concurrent overlap of multiple different kinds of ties (e.g., overlap of family, business, and friendship relationships), is usually specified from startup (Chua et al., 2004), as many family firms are created with intergenerational

intentions. However, our analysis reveals a complex relationship among family ties, network resources, and entrepreneurial success. Family network studies of entrepreneurial activities converge on three themes: minority entrepreneurship, economic development, and family involvement and entrepreneurship.

Fig. 2 Distribution of articles by journal topic

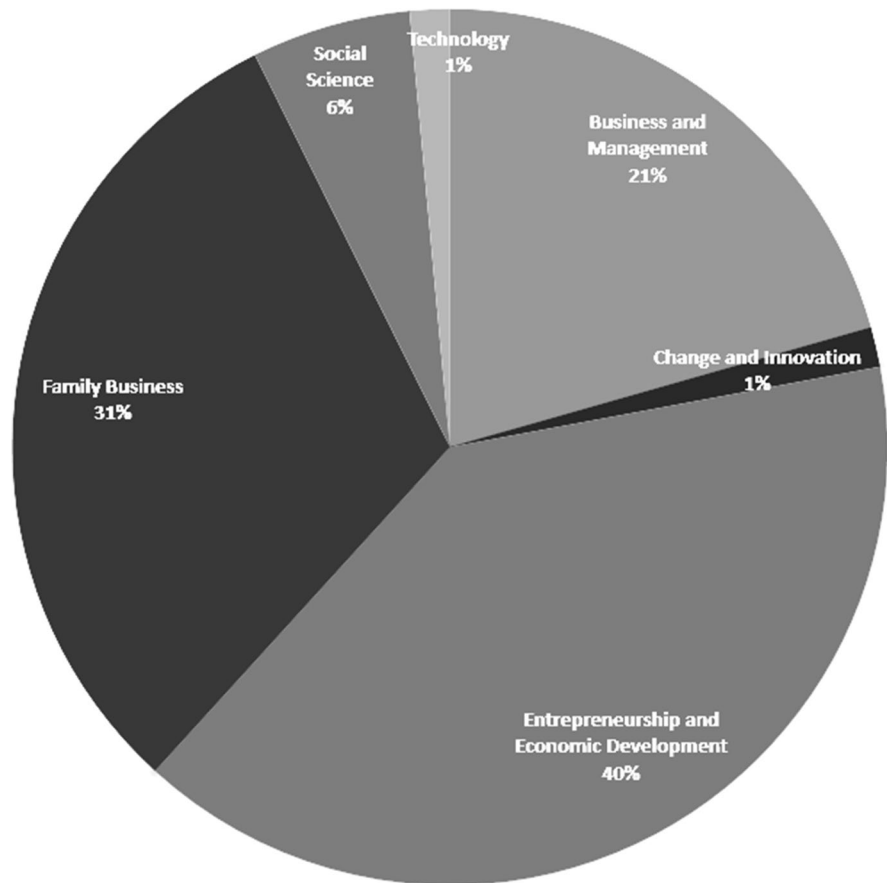
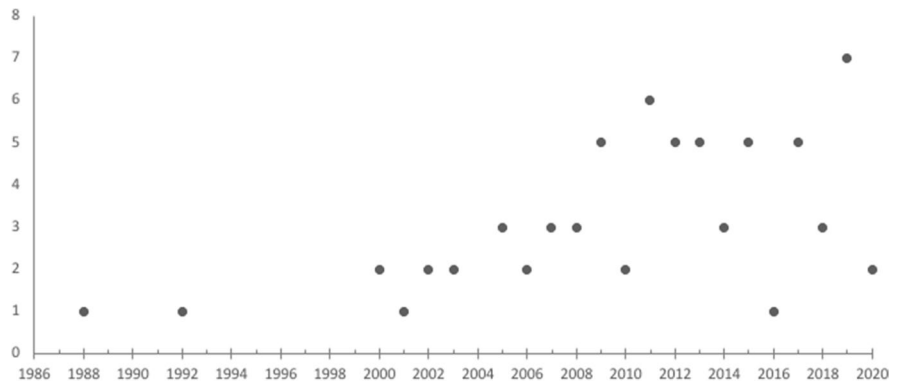


Fig. 3 Distribution of family firm social network articles by year



3.1.1 Minority entrepreneurship

Entrepreneurs who are women and/or members of minority racial or ethnic groups face unique challenges (Peredo & Chrisman, 2006). This literature explores how members of these groups distinctively leverage family and community networks to increase otherwise limited access to social capital and affective (i.e., emotional)

support. Female entrepreneurs' networks are characterized by higher embeddedness and proportions of kinship ties (Burt, 2019; Greve & Salaff, 2003). Due to the difficulties experienced in building cultural legitimacy and external stakeholder support (Deng, 2015) and the intense network embeddedness that accompanies family tie multiplexity, female entrepreneurs may experience performance limitations caused by over-embeddedness

Table 1 Methods applied

Method	Total (%)
Theoretical analysis – no empirical studies	23.2
Mixed methods	2.9
Quantitative	49.3
OLS regression	17.4*
Panel regression	13.0
Logistic regression	5.8
Descriptive statistics	4.4
Logit models	2.9
Network mapping	2.9
Hierarchical linear modeling	2.9
Z-tests	1.4
Joint count analysis	1.4
Hierarchical Poisson regression	1.4
MANOVA	1.4
Simulation modeling	1.4
Generalized estimated equations	1.4
Structural equation modeling	1.4
Qualitative	24.6
Case studies	13.0
Interviews	10.1
Ethnography	1.4

Bold entries indicate that specific methodological approaches falling within this category may be listed below

*Percentages may add up to greater than the total due to multiple studies within each article

in family networks (Collins & Low, 2010). These effects may be exacerbated by the challenges that women face disengaging from family networks (Lyman, 1988), oftentimes caused by gender-based divisions of family labor (Collins & Low, 2010).

Despite similar evidence that minority ethnic entrepreneurs are limited by sociocultural influences in their ability to access diverse sources of social capital via networks (Foley & O'Connor, 2013), our review also shows that minority entrepreneurs leverage closed network structures, defined as networks with many dense and interconnected ties, into sources of entrepreneurial advantage. Although closed network structures can limit access to novel sources of social capital, resources, and information (Granovetter, 1973), cohesive network structures provide unique opportunities for minority entrepreneurs to leverage bonding capital and limited bridging structures to occupy network brokerage roles, thereby accessing and controlling

Table 2 Network characteristics researched

Network characteristic	Number of articles	Percent of articles
Social capital	32*	46.4*
Strong/weak ties	15	21.7
Centrality	12	17.4
Kinship ties	12	17.4
Embeddedness	11	15.9
Structural holes/brokerage	7	10.1
Homophily/heterogeneity	7	10.1
Tie content	7	10.1
Diffusion/constraint	6	8.7
Closure	5	7.2
Community ties	5	7.2
Cohesion	4	5.8
Density	4	5.8
Simmelian ties	3	4.3
Multiplexity	2	2.9
Clustering	2	2.9
Network size	2	2.9

*Numbers add up to greater than the total due to multiple characteristics studied within each article

external sources of social capital in their networks (Carney, 2007). For example, entrepreneurs embedded in minority ethnic community networks gain unique resources through high network centrality of family firm members; in turn, highly central family members can exploit high network closure (i.e., networks characterized by extreme interconnectedness such that all actors are involved with each other) by displaying conformance to community standards of trust, norms, and obligations. Once this network structure is in place, entrepreneurs can broker business relationships to build competitive advantages (Wong et al., 1992). However, specific mediators of the influence of family and community networks on to the entrepreneurial outcomes of minority entrepreneurs are likely to vary across ethnic, cultural, and geographic contexts (Foley & O'Connor, 2013).

3.1.2 Economic development

Studies in the economic development theme apply network perspectives to entrepreneurial concepts of trust, legitimacy, community embeddedness, use of social capital, and kinship in unstable and developing economic contexts. Our review suggests

entrepreneurs in developing or corrupt economies may rely on the stability of community ties over comparatively unstable and risky family ties. For example, entrepreneurs in developing regions of China and Africa leverage network ties with government officials and community leaders instead of family members to signal legitimacy and attain sources of external social capital through bridging ties (Acquaah, 2011a, 2011b, 2012; Shi et al., 2015). Alternatively, other entrepreneurs in less developed economic regions may increase their reliance on trust-laden family and community networks to help their firms innovate and grow, placing a decreased importance on firm legitimacy and access to external social capital (Khavul et al., 2009; Yu et al., 2013). Furthermore, economically disadvantaged entrepreneurs who rely on family network ties can increase access to human and financial capital as well as reduce transaction costs through the use of shared tacit knowledge (Dyer & Mortensen, 2005). These strategies may be particularly salient for disenfranchised entrepreneurs in less developed or hostile economic contexts.

Research also explores the processes through which networks of family firms impact regional economic development. Basco (2015) introduces the concept of regional familiness, defined as the positive economic externalities – such as the firm-level sharing of community-specific knowledge or productive means – created by the interlinking of family firms in firm-level community networks. Regional familiness creates a competitive advantage for family firms within the network of firms through shared goals and resources as well as overall community advancement via economic externalities, suggesting that networks of family firms may uniquely contribute to regional economic development, especially in tightly formed communities. Empirical research supports this assertion, finding that both family-embedded entrepreneurs and small family firms realize increased advantage over non-family ventures from embeddedness in community networks (Baù et al., 2019) and the introduction of novel technologies (Venkatesh et al., 2017).

A contrasting body of research finds that high levels of familial network ties and family tie multiplexity can also have negative repercussions. For example, startups in informal economic environments may face higher costs of resource accumulation when entrepreneurial networks are based on strong family ties and shared familial identity (Khayesi et al., 2014).

Interestingly, new ventures in these contexts can experience greater growth by using external rather than internal social ties and by diversifying ownership beyond extended family control. In these contexts, extended family members often pose agency threats to firm profit, thus requiring extensive monitoring costs to prevent appropriation (Khavul et al., 2009). Thus, in developing environments where an extended clan-type mentality “stretches the limits of existing understandings of family business” (Smith, 2009, p. 1243), entrepreneurs may reduce the risk of resource appropriation by decreasing the role of family in the startup’s network (Daspit & Long, 2014). This research suggests both a positive and negative side to the use of kinship ties in entrepreneurship, which can facilitate legitimacy and provide critical internal social capital in risk-laden developing economies as well as create agency problems and lead to risks of appropriation. These conflicting findings indicate the possibility of unidentified moderating effects.

3.1.3 Family involvement and entrepreneurship

The effect of family involvement in entrepreneurship is assessed on a number of outcomes, including the scope of startup activities, individual entrepreneurship, opportunity recognition, venture growth, revenue, mode of entry, and sources of support. Research shows the importance of close family ties during nascent entrepreneurship (Edelman et al., 2016; Jack, 2005), supplementing network assumptions that distant, weak social ties provide most novel information and resources (Granovetter, 1973). Instead, startup often results from intentional construction of bridging and bonding ties by altruistic and experienced family members such as parents (Edelman et al., 2016). In addition to providing affective support to startups (Kuhn et al., 2017), close family networks also provide instrumental (i.e., business-related advice) support (Jack, 2005) via intermediary ties with well-connected individuals (Gorji et al., 2019). Thus, family members in entrepreneurial networks are likely to act as bridges to sources of valuable external social capital.

However, in spite of findings that family ties are useful through all stages of entrepreneurship (Greve & Salaff, 2003), the relationship between family ties and startup performance may be more complex. Despite instrumentality in firm nascency, high proportions of family ties in entrepreneurs’ networks frequently limit

firm expansion (Jack, 2005), suggesting that kinship ties must be abated as ventures develop to mitigate performance losses. For example, one study suggests that family ties may produce higher venture growth when used as external sources of social capital rather than exclusively as internal sources of social capital (Anderson et al., 2005). Thus, although family ties introduce valuable sources of external social capital to nascent firms, the bridging capital provided by family network ties may be most efficiently utilized in growing ventures by professional, non-family managers rather than family employees. To this end, Arregle et al. (2015) find a curvilinear effect of instrumental, affective, and resource family ties on startup performance, and Renzulli et al. (2000) find evidence of a direct longitudinal relationship between the proportion of network kinship ties and the likelihood of startup failure. These studies not only contribute to knowledge on how social capital is developed in nascent family firms through family social networks (Burt, 2000) but also suggest entrepreneurial reliance on family network ties has both benefits and costs.

3.2 Governance and strategy

This aggregate theme considers how family firm network structures impact decisions related to top management, strategy, and governance. Social network studies of family businesses therein expand knowledge on founder roles and highlight the manner in which network structures influence strategy and governance. The studies within this theme converge around topics of founder and top management team (TMT) networks, family firm network structure, and family firm governance.

3.2.1 Founder and top management group networks

Studies in this theme examine the effects of founder centrality and TMT closure on outcomes including performance and synergistic family firm goal formulation and attainment. Founder centrality, defined as the founder's level of network betweenness (i.e., network structure facilitating the power to control the firm's agenda), closeness (i.e., number of direct ties to firm members), and connectivity (i.e., network structure facilitating influence on top firm members; Kelly et al., 2000), has been examined. While founder centrality is believed to contribute to unity in TMT

perceptions concerning strategic goals, visions, and firm cultures (Athanassiou et al., 2002), empirical research suggests high founder centrality may also be related to founder entrenchment and TMT fragmentation (Kelly et al., 2008), negatively impacting firm performance. These results are augmented by findings that very high levels of family social capital can cause family firm members to become over-embedded in family networks, resulting in highly closed and dense network structures with minimal access to novel sources of external social capital (Herrero & Hughes, 2019).

3.2.2 Family firm network structure

Studies on family firm network structures are largely exploratory and seek to understand the antecedents and consequences of unique family firm network structures by examining the effects of tie-level content, structure, multiplexity, and redundancy as well as network-level heterogeneity, boundaries, and modularity. Despite the promising nature of these studies, the research remains conflicted, indicating a need for extensive future research. Overall, studies suggest that network-level structures in family firms are often characterized by high density and closure, featuring highly multiplex ties characterized by support and trust (Lyman, 1988). These structural factors may contribute to the formation of family firm-specific organizational and family social capital (Arregle et al., 2007). However, other research suggests that family firms may experience a performance advantage via fragmented network structures characterized by non-redundant ties, enabling individual family firm members to occupy unique network structural holes, which occur when a network actor connects what would otherwise be two disparate groups. Such positions increase the actor's brokerage power and access to novel information and resources (Burt, 1992; Seaman et al., 2017). Hence, it is likely that family firms should leverage both patterns of network structures to most effectively develop and utilize social capital through the network.

Despite the ambiguity of these findings, theoretical work suggests that the unique interactions among family, social, and business networks play a critical role in the formation of heterogeneous network structures and content among family firms (Seaman et al., 2017) because family firm decision-makers are likely

to be influenced by specific network structural configurations and the extent and manner of overlap of each sub-network (Seaman et al., 2014). In other words, the logics inherent in family, friendship, business, and resource networks integrate to influence the structure and content of the overall inter- and intra-family firm network, suggesting a process of family firm network development that lends credence to findings of high heterogeneity among family firm networks.

3.2.3 Governance

Family business network studies examining firm governance build mostly on agency theory (Jensen & Meckling, 1976) and the behavioral agency model (Wiseman & Gomez-Mejia, 1998) to describe the interactions of family businesses' networks and governance decisions. Overall, these studies suggest that network-level structures, such as the extent of firm closure and density, interact with family embeddedness and involvement in the firm, leading to problematic governance decisions which affect firm performance, communication, employee relations, and partnership development. Distelberg and Blow (2011) map communication interdependencies among family, ownership, and management networks, showing that both excessively rigid or diffuse inter-network boundaries are associated with detrimental effects on firm performance. Similarly, family firms with high levels of family embeddedness commonly occupy peripheral positions in inter-firm networks, limiting bridging ties to other businesses and access to external social capital (Mani & Durand, 2019).

Social network studies have also examined the tension between stewardship and agency perspectives in the family firm literature (Chrisman, 2019; Davis et al., 1997). Family firm network structure influences the level and accessibility of network-embedded social capital, forming the context in which family firm-specific principal-agent relations take place. Theorizing suggests that high levels of tie density within family firm networks may increase information flows, thereby decreasing principal-agent information asymmetry, opportunistic behavior, and the necessity of formal monitoring (Wiseman et al., 2012). Alternatively, research also suggests that the relative levels of owner embeddedness in family versus business networks may be associated with agentic family-serving resource

appropriation rather than stewardship of overall firm well-being and general stakeholder needs (Le Breton-Miller & Miller, 2009). Firm-level research likewise suggests that family firms may rely on interlocking networks of boards of directors to minimize agency problems associated with family governance and improve overall firm performance (Lester & Cannella, 2006). Although the integration of agency and network perspectives remains limited, these preliminary developments suggest that social influences may strongly impact the nature of principal-agent relations in family firms.

3.3 Organizational decision-making

A third aggregate theme emerging from the literature encompasses network processes and mechanisms that influence decision-making in established family firms. Overall, this research suggests that network-level characteristics such as the size, structure, and content of family firm networks interact to affect the competencies, decisions, goals, and behaviors of family firms. This body of studies examines how unique family firm capabilities and behaviors are formed through social networks. Second-order themes related to organizational decision-making focus on topics related to knowledge competencies, financial decisions, and organizational operations.

3.3.1 Knowledge competencies

The literature notes that family relationships play an important role in the knowledge capabilities of family firms (Chirico & Salvato, 2008; Zahra et al., 2007). Established family firms leverage networks to generate specific competencies, capabilities, and resources. This body of research explores how family firms access and generate network-embedded social capital to enhance performance and knowledge. Many of these studies expand on work exploring the competitive advantage afforded to family firms through unique resources and attributes (Habbershon & Williams, 1999; Sirmon & Hitt, 2003). Specifically, the concept of family capital is presented as a specific form of social capital fostered via family ties. Because family ties are characterized by very strong, close, lasting bonds, family networks are likely to be differentiated

from non-family networks by high network-level closure, density, and embeddedness which, in turn, generate observance of social norms, trust, and generalized exchange behaviors (Hoffman et al., 2006). Thus, family capital conceptually captures the mechanism through which strength of communication, norms and obligations, and trust create firm advantage via increased reliance on tacit knowledge. Related theoretical work suggests that the network positioning of family firms allows them to engage in more systematic innovation practices than non-family firms. Specifically, the practice of personalism allows them to build close (rather than distant) ties to stakeholders, facilitating advantageous knowledge structures and exchange of tacit knowledge (Patel & Fiet, 2011).

Other research indicates that network-level variables such as closure and density and individual positioning may influence the development of family firm core competencies. For example, family firms embedded in dense, informal regional inter-firm networks may face limitations in the capacity to extract and utilize tacit and explicit knowledge based on structural network positioning, even in networks rich in social capital and information (Gurrieri, 2008). Empirical results indicate that the positive effect of a firm's collaborative network orientation on performance increases with the concentration of family ownership, suggesting that closely held family firms can realize increased benefit through network ties and partnerships (Spriggs et al., 2013). Alternatively, the increased performance advantage that family firms receive through network collaboration may be a result of the high levels of network closure and trust that is common in family firms (Feranita et al., 2017).

3.3.2 Financial decisions

Although limited in scope, the literature supports a connection between family firm networks and financial decisions. As the proportion of kinship ties in the entrepreneur's network increases, firm founders are more likely to distribute ownership shares equally to all members of the startup helper network, regardless of individual business contributions (Kotha & George, 2012). This finding suggests the presence of family altruism in firm nascency. Studies of established family firms indicate that decisions concerning initial public offerings (IPO) in family firms can be driven by network considerations, as IPOs can

facilitate larger, more visible, and legitimate networks through which family firms can develop bridging ties to sources of novel, external social capital. In turn, social and informational resources embedded in enhanced post-IPO networks can be leveraged by family firms to support major changes associated with professionalization, succession, or founder exit (Ravasi & Marchisio, 2003). In the same vein, research supports a connection between decisions on the compensation of chief executive officers (CEOs) and firm network expansion, suggesting that family firm CEOs may be chosen, in part, based on the potential external network ties that they bring to the family firm (Young & Tsai, 2008). Despite this, there is some evidence of a negative relationship between a family member CEO's network and firm investment opportunities (Romano et al., 2020). These empirical studies suggest that family firms often frame financial decisions around needs for enhanced network access to social capital and resources.

3.3.3 Organizational operations

Social network studies have led to novel insights about family business operations. Overall, studies suggest that network-level structure affects relationships with organizational affiliates, research and development (R&D), non-family employee relations, and professionalization initiatives. These firm-level studies indicate that family firms may experience performance advantages due to the unique content and structure of their network ties. For example, the high number of strong community network ties common among family firms has been found to positively influence performance though the effect of an intentionally projected family firm image (Zellweger et al., 2012a, 2012b). Furthermore, firm R&D capability increases with family firm centrality in business-group affiliate networks, and network density and content moderate this effect such that family firms embedded in dense networks of buyer-supplier relationships may realize greater R&D capabilities (Mahmood et al., 2011). Thus, empirical work further supports a unique effect of the dense network structure characteristic of family firms on their ability to extract social capital from networks. In support of this, empirical work shows that family involvement in the firm positively moderates the inverted U-shape relationship of geographically proximal network ties and R&D effectiveness (Pucci et al., 2020).

Research also supports this mechanism at the individual level. For example, Vardaman et al. (2018) find that non-family employee centrality in family and non-family employee networks increases organizational identification, thereby decreasing non-family employee turnover. In doing so, they explain the social mechanisms underpinning non-family employee turnover and bifurcation bias in family firms (Verbeke & Kano, 2012). Individual-level research further suggests that employees rely on informal employee discussion networks to facilitate sensemaking during organizational changes associated with professionalization (Fletcher, 2002). Thus, affective responses of individuals to family firm operations seem to be affected by informal social networks. Overall, studies reveal that heterogeneous family firm network structures are influential at both the firm and individual levels.

3.4 Firm growth

The final aggregate theme emerging from the social network literature on family firms deals with firm growth and highlights the importance of intergenerational network transfer through succession and how network mechanisms facilitate recognition of growth opportunities.

3.4.1 Succession

The intention for transgenerational succession is a defining characteristic of family firms (Chua et al., 1999; Zellweger et al., 2012a, 2012b), and succession is one of the most researched topics in family business studies (Daspit et al., 2016). Social network studies examining succession offer critical insights. Many of these studies explore mechanisms through which founder and firm networks are transferred intergenerationally from incumbent to successor. Although many studies are exploratory or qualitative, results suggest that family firm networks are changed through the succession process. For example, weak, distant ties of the incumbent may be difficult to pass on to the successor during intergenerational firm network transfer, suggesting that family firms are likely to lose bridging ties as a result of succession (Steier, 2001). However, the high network closure and density of family firms are expected to support the transfer of

vital intra-firm networks from incumbent to successor via high trust and continued intergenerational reliance on tacit knowledge. Thus, network transfer from founder to a successor is expected to be supported by family firm network structures, ensuring continued access to social capital, and facilitating ongoing value creation and strategic adaptability (Salvato & Melin, 2008).

Research has also examined how networks are likely to impact succession processes. Cabrera-Suárez et al. (2018) suggest that the transfer of tacit knowledge and ties to social capital from incumbent to successor occurs within a knowledge network of internal and external stakeholders. Inherent in this evolution from a dyadic view of knowledge transfer to a network view is that the success of the network transfer, and succession, depends upon the specific structure and content of the overall knowledge network. These implications are supported by empirical findings suggesting that the transfer of ties to network-embedded social capital from incumbent to successor is likely to fail when the transfer is not supported by a majority of firm stakeholders (Schell et al., 2018). For example, family firms in some social contexts face continued difficulties in father-daughter succession due to a lack of support from external network ties, despite strong support from members of the internal network (Deng, 2015). Overall, research suggests that the process of transferring ties to social capital and tacit knowledge from incumbent to successor is embedded in social contexts and contingent upon both intra- and inter-firm network support.

3.4.2 Expansion

Studies examining the effects of social networks on family firm expansion explore interactions between network structures and family involvement in diversification (Chen & Jaw, 2013) and globalization (Kontinen & Ojala, 2011; Zain & Kassim, 2012). Network-level cohesion among members of the firm's dominant coalition is positively related to diversification, but this effect is mitigated as the proportion of family members in the TMT increases (Chen & Jaw, 2013). Theoretical work also suggests that family-owned small and medium-sized enterprises (SMEs) are likely to face disadvantages in global expansion due to high network closure, which may limit access to external sources of information related to

international markets (Kontinen & Ojala, 2011). As a result, family firms may be more dependent on foreign network partners when internationalizing (Zain & Kassim, 2012). Indeed, Steier et al. (2009) suggest that unique characteristics of family firm social embeddedness, defined broadly, may lower long-term firm performance and constrain innovative expansion.

4 Discussion

The knowledge garnered through this systematic review and synthesis of the literature offers key theoretical take-aways regarding the role of social networks in family firms. Specifically, the review suggests that network structure, social capital, and network content serve as three key mechanisms influencing family firm outcomes via heterogeneous family and non-family network ties. All social networks can be characterized by structure, embedded social capital, and embedded content of resources or knowledge (Borgatti & Haglin, 2011). However, the heterogeneity associated with family, community, and intra-family firm ties undergird the ways in which these three key mechanisms uniquely lead to family firm outcomes.

It should also be noted that these key mechanisms likely interact to influence the relationship between heterogeneous family and non-family ties and outcomes. For example, research has shown that the relationship between similar network structures and individual performance varies among networks with different content such as friendship versus advice (Ibarra & Andrews, 1993). Therefore, it is likely that the unique confluence of familial (e.g., brother-sister ties, parent-child ties) and organizational network content (e.g., advice, communication) in family firms will affect network structure. In turn, network structures resulting from overlapping tie content may impact the future development of certain ties and outcomes. Although our discussion centers on how each mechanism theoretically links heterogeneous family firm ties to outcomes, future research should endeavor to explain the interdependence among network structure, content, and social capital and the processes through which they interact to influence outcomes.

4.1 Network structure

Network structure refers to the ways in which ties are organized in the network. Although network structure varies by firm, family firm networks are commonly characterized by high levels of density, closure, tie multiplexity, and embeddedness brought about by intense and enduring close familial bonds. These structures affect both governance and decision-making outcomes. For example, network closure within the family firm contributes to the development of family and organizational social capital (Arregle et al., 2007). Density of family firm networks supports knowledge acquisition and development via information flow (Wiseman et al., 2012), R&D capabilities (Mahmood et al., 2011), and intergenerational information transfer (Salvato & Melin, 2008). Furthermore, network closure strengthens family communication, norms and obligations, and trust, thereby facilitating increased use of tacit, synergistic knowledge (Gurrieri, 2008) and enhancing the extent to which family firms reap performance advantage through inter-firm collaborations (Feranita et al., 2017). Despite these apparent benefits, these common family firm network structures may also contribute to governance problems. Excessive family embeddedness in firm networks can exacerbate principal-principal agency problems (Le Breton-Miller & Miller, 2009). Similarly, excessive founder embeddedness in the dominant coalition can result in TMT disunity and limited strategic vision, negatively affecting overall firm performance (Kelly et al., 2008).

Thus, network structures common among family firms can both enhance or impede performance. While dense, closed networks facilitate rapid and efficient sharing of information, encourage exchange reciprocity through strong familial norms, and facilitate trust among family employees, these structures also limit the acquisition of novel information and resources from distal sources. Consequently, family firms are likely to create greater value from available information, but they may be limited in their ability to acquire new knowledge. Furthermore, family firms with very high levels of multiplexity, density, and closure risk family entrenchment and a lack of strategic vision. Therefore, current research points to both a light and dark side of family firm network structures, indicating a complex relationship between close-knit familial structures, information flows, and firm performance.

4.2 Social capital

Social capital is defined as “the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit” (Nahapiet & Goshal, 1998, p. 243). Social capital can be captured in both the nature of a tie between two actors and the resources afforded by the tie and is theorized to have three dimensions: structural, relational, and cognitive. Family firms rely on unique sources of social capital from family and community networks. The social capital available to family firms via their networks will depend on the multiple rationales inherent in overlapping family, friendship, and business ties (Seaman et al., 2014). Due to the heterogeneity of these ties and the varying structural attributes associated with them, family firms often have multiple types of social capital, including family capital (Hoffman et al., 2006), family social capital, and organizational social capital (Arregle et al., 2007).

Different types of social capital are associated with different types of ties. For example, *family social capital* is defined as “internal ‘bonding’ type social capital that derives from relationships among family members inside the family firm” (Herrero & Hughes, 2019, p. 1); family social capital is theorized to exist alongside and influence the creation of organizational social capital (Arregle et al., 2007). Similarly, *family capital* is defined as a “special form of social capital, one that is limited to family relationships” (Hoffman et al., 2006, p. 136). Family and social capital have much in common: They are both theorized to provide closure, enhance channels of communication, and provide a competitive advantage to the firm. Unlike social capital, however, family capital is less vulnerable to shifting social structures and requires minimal purposeful development because it is built through enduring family, rather than fluctuating professional, network ties.

Theories of family capital and family social capital have been used to explain how the strong bonds of familial relationships serve to produce a unique competitive advantage in family firms. Entrepreneurs who rely on family ties are able to reduce transaction costs via reliance on norms, trust, and tacit knowledge (Dyer & Mortensen, 2005), and the presence of family social capital within the entrepreneur’s network can positively affect the scope of startup activities (Edelman et al., 2016). Family firm-specific social capital can also form as a community-level resource

(Lester & Cannella, 2006), and networks of family firms can foster shared social capital that creates a competitive advantage for all family firms within a specific region (Basco, 2015).

Despite the advantages that strong internal ties and bonding capital afford to family firms, overreliance on family firm-specific forms of internal social capital may serve as a disadvantage (Herrero & Hughes, 2019); bridging and bonding forms of social capital exhibit both advantages and disadvantages for family firms. Although reliance on family bonding capital tends to insulate family firms from external threats, it also serves to limit innovativeness and long-term success (Arregle et al., 2007; Renzulli et al., 2000; Zellweger et al., 2019). Thus, family firms – particularly minority-owned family firms (Carney, 2007; Foley & O’Connor, 2013) – must balance internal bonding capital with external bridging capital to ensure that they continue to reap advantages from family firm-specific social capital.

4.3 Network content

Network content refers to specific bundles of resources and knowledge carried through the network via social ties. The most important types of network content among family firms include tacit knowledge, synergistic family firm resources, emotional support, and trust. The unique characteristics of these ties encourage the cultivation of unique network content. For example, family firm-specific social capital (e.g., family capital) is theorized to be a resource embedded in the network ties of family firms that, in turn, afford family firms an advantage (Hoffman et al., 2006). Similarly, practicing personalism in relationships with external stakeholders allows family firms to develop strong ties that facilitate the receipt of tacit knowledge (Patel & Fiet, 2011). In turn, the high levels of trust inherent in family ties facilitate the transfer of tacit knowledge within family networks and across generations. In turn, these unique types of network content generate competitive advantages in family firms.

Specifically, family firm-specific network content, such as tacit knowledge and trust, encourages competitive advantage by increasing knowledge competencies, thereby encouraging startup-stage growth, abating governance problems, and bolstering intergenerational longevity. For example, entrepreneurs who rely on kinship ties through startup gain access to resources of trust and tacit knowledge as well as increased emotional support; in turn, emotional support from family

members may enhance the extent to which resources inherent in kinship ties can be utilized to achieve venture growth (Edelman et al., 2016; Jack et al., 2010). Furthermore, the ease of information exchange in family firm networks, facilitated by high trust and synergistic resources such as family capital, serve to reduce information asymmetry, thereby mitigating potential agency problems and monitoring costs (Wiseman et al., 2012). Familial trust ties also facilitate family firm longevity both through collaborative innovation with external network partners (Feranita et al., 2017) and succession (Cabrera-Suárez et al., 2018).

However, family firm-specific network content can also bring about firm disadvantage. Entrepreneurs may receive an excessive level of emotional support from kinship ties, which can, in turn, limit venture growth, especially in more established startups (Arregle et al., 2015). Furthermore, family firms who rely extensively on interpersonal, familial trust ties may experience increased startup costs (Shi et al., 2015). However, these negative effects depend on the presence and levels of other family firm-specific network content (e.g., relative levels of trust and tacit knowledge) and characteristics such as firm size and age. Due to the role that family firm-specific network content plays in knowledge acquisition and dissemination, one likely explanation for these apparent disadvantages may be found in the shifting information needs of developing family firms. For example, the knowledge needs of early-stage startups may be more easily met via highly idiosyncratic family knowledge; as firms grow, however, overreliance on close, trust-laden ties may limit expansion and access to novel knowledge. Future research should examine the presence of network and firm-level moderators in these processes.

5 Future research

Collectively, the literature discussed here offers pathways for future research. In general, the review brings the importance of boundary conditions to the fore. Review findings demonstrate that the density, closure, multiplexity, and embeddedness of family firm networks play a role in family firm outcomes, but the effects may be curvilinear or influenced by moderation. An important challenge going forward is to investigate the potential curvilinear effects of network density, closure, multiplexity, and embeddedness

and identify contextual moderators of the relationship between network structure and firm outcomes. In addition to these general avenues for future study, other more specific research directions emerged from the themes we identified. We detail these potential areas of investigation in the section that follows. These future research directions are summarized in Table 3, along with contributions to family business theory and the proposed key mechanisms of network structure, content, and social capital.

5.1 Entrepreneurial activities

Because family plays a critical role in nascent firms (Aldrich & Cliff, 2003), startups of minority entrepreneurs (Wong et al., 1992), and economic development (Basco, 2015), additional research is needed to align mixed findings on the effects of kinship networks on entrepreneurship. Future research in this area should consider the heterogeneity of family firm networks, as studies that generalize on the role of kinship ties are limited by variation in the notion of “family” across cultural contexts. Conceptual ambiguity in the literature also results from variations among findings across multicultural contexts. For example, network studies of economic development suggest family ties affect startup activities in different ways in West African (Acquaah, 2011b), East African (Khavul et al., 2009), Chinese (Yu et al., 2013), Indian (Venkatesh et al., 2017), and urban and rural contexts (Baù et al., 2019). Future research should seek to establish commonalities in the role of family networks in different cultural contexts, building toward a common understanding of family networks in economic development. For example, future studies might examine how family network structure, content, and governance are likely to vary among different ethnic groups. Furthermore, studies should examine why and how specific minority groups may rely more on external bridging versus internal familial bonding ties in different stages of entrepreneurship. Finally, because extant studies suggest that female entrepreneurs may leverage kinship networks differently than male counterparts (Burt, 2019), future studies should seek to understand how women use existing family networks and how they establish external networks in the process of starting new ventures. Research should also work toward a female network perspective of entrepreneurship in order to further understanding of heterogeneity among female-led startups.

Table 3 Agenda for future social network family business research

Dimension	Future research ideas and useful network concepts	Contribution to family business theory	Contributions to key mechanisms
Entrepreneurial activities	• Disentangle mixed effects of kinship ties on startup success and growth taking into account the heterogeneity of family firm networks • Examine how network structure, content, and governance vary among different minority groups • Study how women use networks differently to support startups • Explore economic and non-economic benefits/costs of embeddedness of family and firm networks during firm nascency and growth • Explore how social networks in family firms influence corporate venturing • Study how family firms share information and resources through regional networks of family firms • Specify how family firm network structures influence venture performance	• Offers further insight into family involvement intentions from firm nascency • Explores untapped research areas to quantify changing levels and extent of family involvement through firm growth • Contributes to understanding of family firm competitive advantage • Builds on the literature on the heterogeneity of family firms • Contributes to understanding of the early development of family firm ownership structures • Bolsters understanding of the advantages/disadvantages of family firm-community embeddedness	• Explains how unique kinship network content influences family firm venturing performance • Explains how network structure, content, and social capital differ due to cultural and familial heterogeneity during startup • Explores how unique social capital created through confluence of family and firm networks influences nascent growth • Explores how inter- and intra-firm social capital interact with unique family firm network structures to influence early performance
Governance and strategy	• Build a greater understanding of how founder's/TMT network structure influence firm strategy and performance • Explore how instrumental and affective networks influence SEW development and SEWi • Examine how network structures and content influence the proportional weighting of FCNE versus financial goals • Further explore how social networks influence agency problems in family firms • Study the effects of networks onto resource acquisition, bundling, and leveraging	• Improves understanding of how the founder's role changes through firm development • Conceptually enriches the SEW perspective • Contributes to understanding of family firm-specific goals and vision • Works to reconcile the agency and stewardship perspectives in the family firm literature • Further understands the RBV of family firms	• Explores how founder egocentric network structures influence family firm network structure and performance • Explains how varied network content and unique family firm structure influences SEW and FCNE • Explores how unique family firm network structure and content influence agency problems and solutions

Table 3 (continued)

Dimension	Future research ideas and useful network concepts	Contribution to family business theory	Contributions to key mechanisms
Organizational decision-making	• Re-examine family firm-specific concepts (e.g., SEW, bifurcation bias, distinctive familiness) from a network perspective to examine how social relationships influence key family firm processes, outcomes, and predictors • Examine how family firm networks influence altruism and, in turn, principal-principal agency problems • Examine how network structures influence the extent to which SEW framing is used in decision-making • Study which network structures facilitate or impede tacit knowledge development, sharing, and use in family firms	• Offers insight into outcomes and antecedents of altruism and family versus non-family employee treatment • Theoretically enriches family firm-specific concepts by examining them from a social embeddedness perspective • Conceptually enriches the SEW perspective • Enriches knowledge of family firm decision-making processes • Contributes to the RBV and knowledge-based view of family firms • Enriches understanding of principal-principal agency problems	• Examines how familial relationships affect all three key mechanisms to influence and predict family firm-specific concepts (e.g., SEW, distinctive familiness) • Explore how varied network structures impact family firm decision-framing • Examines how knowledge development is influenced by family firm network structures • Determine the bounds in which family firm heterogeneity influences how network structures and content affect decision-making
Firm growth	• Examine how egocentric networks of successors and incumbents influence successor choice decisions and succession outcomes • Compare family firm networks of firms that have carried out successful versus unsuccessful successions • Examine how intra-firm knowledge, communication, and advice networks impact successor training and readiness • Explore contexts in which social embeddedness can facilitate, rather than impede, innovation and diversification in family firms • Examine how family member positioning in firm networks influences the development of patient and survivability capital	• Enriches knowledge on succession outcomes and antecedents via the application of a novel theoretical lens • Contributes to theoretical and practical knowledge of succession planning • Increases knowledge of family firm diversification • Explores both the dark and light side of social embeddedness in the family firm literature • Contributes to an increased understanding of family firm longevity and long-term performance • Enriches the RBV perspective of family firms	• Examines the egocentric network content and structures of successors and incumbents to better understand the succession process • Explore how network-level family and firm structure is related to successful succession • Explore how high embeddedness can produce beneficial social capital for growth • Explores how the structure of the overall network influences the development of different kinds of social capital • Explores how each family firm member can contribute to firm survival via bridging ties to social capital

Additional research is also needed to clarify the role of kinship ties through different stages of entrepreneurship (Arregle et al., 2015; Greve & Salaff, 2003). For example, studies suggesting that kinship ties are most productive in startups when kept outside the formal boundaries of the firm (Anderson et al., 2005) present interesting avenues for future research. Future studies should explore the specific economic and non-economic benefits and costs of embeddedness of family and firm networks during firm nascency and growth. For example, a future study may compare varied nascent family firm network structures in efforts to understand how different levels and configurations of family involvement structurally produce performance gains or losses. The insights gained through such work would offer greater knowledge of the earliest origins of family firm-specific capabilities, thus offering richer insight into intentions and types of family involvement through firm nascency. Such research may further contribute to understanding how changing levels of family involvement through firm nascency and development affect later family ownership and management structures. On the other hand, there seems to be relatively scant attention paid to how social networks in family firms affect corporate venturing activities. For example, how does the composition of the ownership and/or management network influence the kinds of venturing activities (e.g., related versus unrelated) family firms pursue? Likewise, it would be interesting to know if and how family networks influence the ways in which corporate venturing activities are pursued. For example, do network structures promote or preclude top-down or bottom-up initiatives?

Finally, future research should continue to explore how firm-level networks of family businesses encourage regional economic growth and wealth creation. Prior research has recognized the unique role that family firms play in regional economic development (Basco, 2015), especially in disadvantaged areas (Peredo & Chrisman, 2006; Ring et al., 2010), as well as the unique linkages among family firms and the communities in which they are embedded (Zellweger et al., 2012a, b). However, more research is needed to understand how family firms share information, resources, and human and financial capital through regional community-embedded networks. For example, future studies might examine how purposeful versus necessity-driven networks of family firms lead

to varied network structures, with ultimate effects on regional economic development. Furthermore, research might examine how network structures of family firm-community embeddedness create performance advantages for regionally embedded family firms.

5.2 Governance and strategy

Although network studies exploring issues related to strategy and governance in family firms are limited, existing work suggests important avenues for future research. For example, future studies might compare how founder centrality and network-level firm density interact to affect firm performance. Similarly, family firm communication, advice, and friendship networks should be used to understand how individual outcomes are shaped within family firms. A social network approach could also shed light on the development and weighting of socioemotional wealth (SEW) – the family firm's affective endowment of non-economic wealth (Debicki et al., 2016; Gómez-Mejía et al., 2007) – across different forms and stages of family ownership and management (Gersick et al., 1997). Future studies might also examine how network structures are related to the proportional weighting of financial versus family-centered non-economic (FCNE) goals (Chrisman et al., 2012), thereby offering insight into how family firm goal formation may be socially influenced.

Empirical work should follow Wiseman et al.'s (2012) suggestion that family firm social networks may act as institutional contexts in which agency relations are formed. Family business researchers continue to debate the nature of agency versus stewardship perspectives in family firms (Chrisman, 2019; Madison et al., 2016; Neckebrouck et al., 2018) and the effects of these perspectives on principal-agent and principal-principal agency problems. Social network theorizing and analyses are likely to offer novel insights by exploring characteristics of family firm networks that foster or mitigate agency problems. To this end, future research should increase knowledge on how the structural characteristics of family firms (e.g., increased embeddedness, greater density and closure, high tie multiplexity) can support solutions to agency issues (e.g., imperfect monitoring).

Finally, future research should examine family firm governance from other perspectives common in the family business literature. For example, research should examine how the network structures and social embeddedness of family firms influence the importance of different stakeholder groups, thereby enriching the application of stakeholder theory (Mitchell et al., 1997, 2011) to the study of family firms. Furthermore, work is needed on how family firms' internal and external networks contribute to governance decisions related to transaction cost economizing (Gedajlovic & Carney, 2010; Williamson, 1989). Finally, in order to enrich the knowledge of the resource-based view (Habbershon & Williams, 1999; Habbershon et al., 2003) in family firms, future research is needed on the network structures and content that facilitate or impede unique family firm resource bundling and leveraging (Sirmon & Hitt, 2003).

5.3 Organizational decision-making

Studying the decision-making outcomes of established family firms through a social network perspective offers the opportunity to re-examine existing knowledge of family firm phenomena such as SEW (Gómez-Mejía et al., 2007), bifurcation bias (Verbeke & Kano, 2012), distinctive familiness (Chrisman et al., 2005), and altruism (Eddleston & Kellermanns, 2007; Schulze et al., 2001) from a perspective examining the unique social effects of the interplay among the family, business, and employee systems. While limited studies have begun to engage in this endeavor (Fletcher, 2002; Mahmood et al., 2011; Vardaman et al., 2018), much work remains to be done. Given the heightened social embeddedness and tie multiplexity of family firm members, social network effects on organizational outcomes may be amplified in family firms.

The future application of a social network lens in studies of familial altruism (Schulze et al., 2001) and SEW (Gómez-Mejía et al., 2007) is particularly salient. A preference for altruism toward firm family members has been defined as a determinant characteristic of family business (Schulze et al., 2001) and a leading cause of principal-principal agency problems in family governance. Because familial altruism is based on parent-child relationships, there is an opportunity to examine how heterogeneity among social structures may exacerbate or mitigate altruism problems. Future studies should examine the effect of

family or firm network structures (e.g., dense versus fragmented) as an antecedent to altruistic behaviors and the agency problems which may result. It would also be worthwhile to investigate the factors that lead family owners and managers to use their networks to engage in related-party transactions (e.g., tunneling).

Similarly, research relying on the SEW perspective has been used to explain strategic behaviors including diversification and internationalization (Gomez-Mejia et al., 2010), risk-taking (Miller & Le Breton-Miller, 2014; Penney et al., 2019), and corporate social responsibility (Cruz et al., 2014). Because the SEW concept is built on the assumption that family firm leaders consider affective benefits to firm ownership in strategic decision-making, it is likely that factors such as the positive and negative effects of SEW and the extent to which owning families consider SEW in decision-making are socially constructed among members of the owning family (Carr et al., 2021). Thus, an opportunity exists to examine social and structural SEW antecedents from a network perspective. Future research may examine how high network-level density and closure common among family firms affects the extent to which family firms consider SEW when framing decisions. The exploration of the relationships among underlying family firm social relationships, network structures and content, and SEW importance (Debicki et al., 2016) is likely to contribute to a richer conceptualization of SEW.

Furthermore, existing research into family firm networks pays little attention to the development of tacit knowledge in the family firm. Although the use of tacit knowledge is understood as one of the resource advantages associated with family governance (Sirmon & Hitt, 2003), research on how tacit knowledge development and use is affected by social networks remains limited. Because tacit knowledge is often developed and shared in family firms through close familial relationships, it is likely that some network-level structures are more likely to facilitate, and others to impede, tacit knowledge generation. Thus, studies of how network density and closure impact tacit knowledge in family firms are needed.

5.4 Firm growth

Owing to its importance for the long-term survival of family firms, the study of succession may be the most important area of future work. Existing network studies have

examined how structure and content of family firm social networks influence succession processes through the transfer of tacit knowledge, network stakeholder support, and social capital transfer from incumbent to successor. However, current research has neglected to examine factors related to how individual, or egocentric, network structure influences successor choice. Future research should examine how intra-firm friendship, advice, and communication networks of incumbents and successors influence the successor selection. At the network level, future studies may compare network structure and content across family firms that have carried out successful or unsuccessful successions in order to increase understanding of how networks influence succession effectiveness in terms of firm performance and stakeholder satisfaction.

In addition, future research should build on the work of Cabrera-Suárez et al. (2018) to explore how intra-firm knowledge, communication, and advice networks impact successor training and readiness, firm support for succession, and likelihood of succession planning. By examining the influence of these social processes, research may determine how the interaction of intra-firm social practices and succession activities influence the succession process and outcomes. In doing so, researchers could offer stronger advice to practitioners on the importance of internal and external firm relationships in intergenerational longevity and performance.

Finally, future research should continue efforts to examine how both internal family firm network structure and the location of individual family firms in inter-firm networks facilitate or impede firm growth and expansion. Current research suggests that family firm over-embeddedness may result in diminished innovation and long-term performance (Steier et al., 2009). Future studies should examine contexts in which social embeddedness may facilitate, rather than impede, innovation and diversification. Furthermore, the growth and longevity of family firms may depend upon their capacity to obtain patient and survivability capital (Sirmon & Hitt, 2003). Research on how social networks foster the attainment of survivability capital from other family members both inside and outside the firm would be valuable.

5.5 Concluding remarks

This review has synthesized the literature on social networks in family firms, provided an in-depth discussion of key findings and underlying mechanisms, and constructed

a platform for future research. In so doing, we have provided clarity on the role of social networks in various family firm processes and outcomes. Results indicate that heterogeneous family and non-family ties create unique family firm network structures, that family-specific forms of social capital produce varied advantages and disadvantages, and that unique family firm-specific network content may create both benefit and costs for family firms. Overall, we conclude that yet unknown boundary conditions play an important role in the mechanisms through which heterogeneous network ties, network structure, social capital, and network content influence family firm outcomes. Future work is needed to fully understand the scope of this influence. We suggest that future research should explore the boundary conditions and potential nonlinear relationships among network structures and family firm outcomes, with specific attention paid to the manner in which family firm heterogeneity and notions of “family” may vary across cultural contexts. Finally, we recommend that future research explore the relationships among key network mechanisms and critical family firm outcomes in order to build theory.

References

- Acquaah, M. (2011a). Business strategy and competitive advantage in family businesses in Ghana: The role of social networking relationships. *Journal of Developmental Entrepreneurship*, 16(1), 103–126. <https://doi.org/10.1142/S1084946711001744>
- Acquaah, M. (2011b). Utilization and value of social networking relationships in family and nonfamily firms in an African transition economy. *European Management Journal*, 29(5), 347–361. <https://doi.org/10.1016/j.emj.2011.03.002>
- Acquaah, M. (2012). Social networking relationships, firm-specific managerial experience and firm performance in a transition economy: A comparative analysis of family owned and nonfamily firms. *Strategic Management Journal*, 33(10), 1215–1228. <https://doi.org/10.1002/smj>
- Aldrich, H., & Cliff, J. E. (2003). The pervasive effects of family on entrepreneurship: Toward a family embeddedness perspective. *Journal of Business Venturing*, 18(5), 573–596. [https://doi.org/10.1016/S0883-9026\(03\)00011-9](https://doi.org/10.1016/S0883-9026(03)00011-9)
- Anderson, A. R., Jack, S., & Dodd, S. D. (2005). The role of family members in entrepreneurial networks: Beyond the boundaries of the family firm. *Family Business Review*, 18(2), 135–154. <https://doi.org/10.1111/j.1741-6248.2005.00037.x>
- Arregle, J.-L., Hitt, M. A., Sirmon, D. G., & Very, P. (2007). The development of organizational social capital: Attributes of family firms. *Journal of Management Studies*, 44(1), 73–95. <https://doi.org/10.1111/j.1467-6486.2007.00665.x>

- Arregle, J.-L., Batjargal, B., Hitt, M. A., Webb, J. W., Miller, T., & Tsui, A. S. (2015). Family ties in entrepreneurs' social networks and new venture growth. *Entrepreneurship Theory and Practice*, 39(2), 313–344. <https://doi.org/10.1111/etap.12044>
- Athanassiou, N., Crittenden, W. F., Kelly, L., & Marquez, P. (2002). Founder centrality effects on the Mexican family firm's top management group: Firm culture, strategic vision and goals, and firm performance. *Journal of World Business*, 37(2), 139–150. [https://doi.org/10.1016/S1090-9516\(02\)00073-1](https://doi.org/10.1016/S1090-9516(02)00073-1)
- Basco, R. (2015). Family business and regional development – A theoretical model of regional familiness. *Journal of Family Business Strategy*, 6(4), 259–271. <https://doi.org/10.1016/j.jfbs.2015.04.004>
- Baù, M., Chirico, F., Pittino, D., Backman, M., & Klaesson, J. (2019). Roots to grow: Family firms and local embeddedness in rural and urban contexts. *Entrepreneurship Theory and Practice*, 43(2), 360–385. <https://doi.org/10.1177/1042258718796089>
- Berrone, P., Cruz, C., & Gomez-Mejia, L. R. (2012). Socioemotional wealth in family firms: Theoretical dimensions, assessment approaches, and agenda for future research. *Family Business Review*, 25(3), 258–279. <https://doi.org/10.1177/0894486511435355>
- Borgatti, S. P., & Halgin, D. (2011). On network theory. *Organization Science*, 22(5), 1168–1181. <https://doi.org/10.2139/ssrn.2260993>
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3, 77–101. <https://doi.org/10.1057/978-1-137-35913-1>
- Burt, R. S. (1992). *Structural holes: The social structure of competition*. Harvard University Press.
- Burt, R. S. (2000). The network structure of social capital. *Research in Organizational Behavior*, 22, 345–423. [https://doi.org/10.1016/S0191-3085\(00\)22009-1](https://doi.org/10.1016/S0191-3085(00)22009-1)
- Burt, R. S. (2019). The networks and success of female entrepreneurs in China. *Social Networks*, 58, 37–49. <https://doi.org/10.1016/j.socnet.2019.01.003>
- Cabrera-Suárez, M.K., García-Almeida, D.J., & Saá-Pérez, P. (2018). A dynamic network model of the successor's knowledge construction from the resource- and knowledge-based view of the family firm. *Family Business Review*, 31(2), 178–197. <https://doi.org/10.1177/0894486518776867>
- Carney, M. (2007). Minority family business in emerging markets: Organization forms and competitive advantage. *Family Business Review*, 20(4), 289–300. <https://doi.org/10.1111/j.1741-6248.2007.00097.x>
- Carr, J. C., Vardaman, J. M., Marler, L. E., McLarty, B. D., & Blettner, D. (2021). Psychological antecedents of decision comprehensiveness and their relationship to decision quality and performance in family firms: An upper echelons perspective. *Family Business Review*. <https://doi.org/10.1177/2F0894486520917774>
- Chen, Y. Y., & Jaw, Y. L. (2013). Does network cohesion impede diversification in the conglomerate? Evidence from Taiwanese business group. *International Review of Management and Business Research*, 2(2), 320. <http://www.irmbjournal.com/>
- Chirico, F., & Salvato, C. (2008). Knowledge integration and dynamic organizational adaptation in family firms. *Family Business Review*, 21(2), 169–181. <https://doi.org/10.1111/j.1741-6248.2008.00117.x>
- Chrisman, J. J. (2019). Stewardship theory: Realism, relevance, and family firm governance. *Entrepreneurship Theory and Practice*, 43(6), 1051–1066. <https://doi.org/10.1177/1042258719838472>
- Chrisman, J. J., Chua, J. H., & Steier, L. (2005). Sources and consequences of distinctive familiness: An introduction. *Entrepreneurship Theory and Practice*, 29(3), 237–247.
- Chrisman, J. J., Chua, J. H., Kellermanns, F. W., Matherne, C. F., III., & Debicki, B. J. (2008). Management journals as venues for publication of family business research. *Entrepreneurship Theory and Practice*, 32(5), 927–934. <https://doi.org/10.1111/j.1540-6520.2008.00263.x>
- Chrisman, J. J., Chua, J. H., Pearson, A. W., & Barnett, T. (2012). Family involvement, family influence, and family-centered non-economic goals in small firms. *Entrepreneurship Theory and Practice*, 36(2), 267–293. <https://doi.org/10.1111/j.1540-6520.2010.00407.x>
- Chua, J. H., Chrisman, J. J., & Sharma, P. (1999). Defining the family business by behavior. *Entrepreneurship Theory and Practice*, 23(4), 19–39. <https://doi.org/10.1177/104225879902300402>
- Chua, J. H., Chrisman, J. J., & Chang, E. P. C. (2004). Are family firms born or made? An Exploratory Investigation. *Family Business Review*, 17(1), 37–54. <https://doi.org/10.1111/j.1741-6248.2004.00002.x>
- Collins, J., & Low, A. (2010). Asian female immigrant entrepreneurs in small and medium-sized businesses in Australia. *Entrepreneurship and Regional Development*, 22(1), 97–111. <https://doi.org/10.1080/08985620903220553>
- Cruz, C., Larraza-Kintana, M., Garcés-Galdeano, L., & Berrone, P. (2014). Are family firms really more socially responsible? *Entrepreneurship Theory and Practice*, 38(6), 1295–1316. <https://doi.org/10.1111/etap.12125>
- Daspit, J. J., & Long, R. G. (2014). Mitigating moral hazard in entrepreneurial networks: Examining structural and relational social capital in East Africa. *Entrepreneurship Theory and Practice*, 38(6), 1343–1350. <https://doi.org/10.1111/etap.12128>
- Daspit, J. J., Holt, D. T., Chrisman, J. J., & Long, R. G. (2016). Examining family firm succession from a social exchange perspective: A multiphase, multistakeholder review. *Family Business Review*, 29(1), 44–64. <https://doi.org/10.1177/0894486515599688>
- Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a stewardship theory of management. *Academy of Management Review*, 22(1), 20–47. <https://doi.org/10.4324/9781315261102-29>
- Debicki, B. J., Kellermanns, F. W., Chrisman, J. J., Pearson, A. W., & Spencer, B. A. (2016). Development of a socioemotional wealth importance (SEWi) scale for family firm research. *Journal of Family Business Strategy*, 7(1), 47–57. <https://doi.org/10.1016/j.jfbs.2016.01.002>
- DellaPosta, D. (2017). Network closure and integration in the mid-20th century American Mafia. *Social Networks*, 51, 148–157. <https://doi.org/10.1016/j.socnet.2016.11.005>

- Deng, X. (2015). Father-daughter succession in China: Facilitators and challenges. *Journal of Family Business Management*, 5(1), 38–54. <https://doi.org/10.1108/JFBM-05-2014-0011>
- Distelberg, B. J., & Blow, A. (2011). Variations in family system boundaries. *Family Business Review*, 24(1), 28–46. <https://doi.org/10.1177/0894486510393502>
- Dyer, W. G., & Mortensen, S. P. (2005). Entrepreneurship and family business in a hostile environment: The case of Lithuania. *Family Business Review*, 18(3), 247–258. <https://doi.org/10.1111/j.1741-6248.2005.00045.x>
- Eddleston, K. A., & Kellermanns, F. W. (2007). Destructive and productive family relationships: A stewardship theory perspective. *Journal of Business Venturing*, 22(4), 545–565. <https://doi.org/10.1016/j.jbusvent.2006.06.004>
- Edelman, L. F., Manolova, T., Shirokova, G., & Tsukanova, T. (2016). The impact of family support on young entrepreneurs' start-up activities. *Journal of Business Venturing*, 31(4), 428–448. <https://doi.org/10.1016/j.jbusvent.2016.04.003>
- Feliu, N., & Botero, I. C. (2016). Philanthropy in family enterprises: A review of literature. *Family Business Review*, 29(1), 121–141. <https://doi.org/10.1177/0894486515610962>
- Feranita, F., Kotlar, J., & De Massis, A. (2017). Collaborative innovation in family firms: Past research, current debates and agenda for future research. *Journal of Family Business Strategy*, 8(3), 137–156. <https://doi.org/10.1016/j.jfbs.2017.07.001>
- Fletcher, D. (2002). A network perspective of cultural organising and “professional management” in the small, family business. *Journal of Small Business and Enterprise Development*, 9(4), 400–415. <https://doi.org/10.1108/14626000210450577>
- Foley, D., & O'Connor, A. J. (2013). Social capital and the networking practices of indigenous entrepreneurs. *Journal of Small Business Management*, 51(2), 276–296. <https://doi.org/10.1111/jsbm.12017>
- Gedajlovic, E., & Carney, M. (2010). Markets, hierarchies, and families: Toward a transaction cost theory of the family firm. *Entrepreneurship Theory and Practice*, 34(6), 1145–1172. <https://doi.org/10.1111/j.1540-6520.2010.00418.x>
- Gersick, K. E., Davis, J. A., Hampton, M. M., & Lansberg, I. (1997). *Generation to generation: Life cycles of the family business*. Harvard Business School Press.
- Goel, S., & Jones, R. J. (2016). Entrepreneurial exploration and exploitation in family business: A systematic review and future directions. *Family Business Review*, 29(1), 94–120. <https://doi.org/10.1177/0894486515625541>
- Gómez-Mejía, L. R., Haynes, K. T., Núñez-Nickel, M., & Jacobson, K. J. L. (2007). Socioemotional wealth and business risks in family-controlled firms: Evidence from Spanish olive oil mills. *Administrative Science Quarterly*, 52, 106–137.
- Gomez-Mejia, L. R., Makri, M., & Kintana, M. L. (2010). Diversification decisions in family-controlled firms. *Journal of Management Studies*, 47(2), 223–252. <https://doi.org/10.1111/j.1467-6486.2009.00889.x>
- Gorji, Y., Carney, M., & Prakash, R. (2019). Indirect nepotism: Network sponsorship, social capital and career performance in show business families. *Journal of Family Business Strategy*, in Press. <https://doi.org/10.1016/j.jfbs.2019.04.004>
- Granovetter, M. S. (1973). The strength of weak ties. *American Journal of Sociology*, 78(6), 1360–1380. <https://doi.org/10.1086/225469>
- Greve, A., & Salaff, J. W. (2003). Social networks and entrepreneurship. *Entrepreneurship Theory and Practice*, 28(1), 1–22. <https://doi.org/10.1111/1540-8520.00029>
- Gurrieri, A. R. (2008). Knowledge network dissemination in a family-firm sector. *Journal of Socio-Economics*, 37(6), 2380–2389. <https://doi.org/10.1016/j.socec.2008.04.005>
- Habbershon, T. G., & Williams, M. L. (1999). A resource-based framework for assessing the strategic advantages of family firms. *Family Business Review*, 12(1), 1–25. <https://doi.org/10.1111/j.1741-6248.1999.00001.x>
- Habbershon, T. G., Williams, M., & Macmillan, I. C. (2003). A unified systems perspective of family firm performance. *Journal of Business Venturing*, 18, 451–465. [https://doi.org/10.1016/S0883-9026\(03\)00053-3](https://doi.org/10.1016/S0883-9026(03)00053-3)
- Herrero, I. (2018). How familial is family social capital? Analyzing bonding social capital in family and nonfamily firms. *Family Business Review*, 31(4), 441–459. <https://doi.org/10.1177/0894486518784475>
- Herrero, I., & Hughes, M. (2019). When family social capital is too much of a good thing. *Journal of Family Business Strategy*, 10(3), 1–12. <https://doi.org/10.1016/j.jfbs.2019.01.001>
- Hoffman, J. J., Hoelscher, M. L., & Sorenson, R. L. (2006). Achieving sustained competitive advantage: A family capital theory. *Family Business Review*, 19(2), 135–145. <https://doi.org/10.1007/s10350-005-0209-3>
- Ibarra, H., & Andrews, S. B. (1993). Power, social influence, and sense making: Effects of network centrality and proximity on employee perceptions. *Administrative Science Quarterly*, 38(2), 277. <https://doi.org/10.2307/2393414>
- Jack, S. (2005). The role, use and activation of strong and weak network ties: A qualitative analysis. *Journal of Management Studies*, 42(6), 1233–1250. <https://doi.org/10.1111/j.1467-6486.2005.00540.x>
- Jack, S., Moul, S., Anderson, A. R., & Dodd, S. (2010). An entrepreneurial network evolving: Patterns of change. *International Small Business Journal*, 28(4), 315–337. <https://doi.org/10.1177/0266242610363525>
- Jaskiewicz, P., & Dyer, W. G. (2017). Addressing the elephant in the room: Disentangling family heterogeneity to advance family business research. *Family Business Review*, 30(2), 111–118. <https://doi.org/10.1177/0894486517700469>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. *Journal of Financial Economics*, 3, 305–360. <https://doi.org/10.1177/0018726718812602>
- Jones, M. V., Coviello, N., & Tang, Y. K. (2011). International entrepreneurship research (1989–2009): A domain ontology and thematic analysis. *Journal of Business Venturing*, 26(6), 632–659. <https://doi.org/10.1016/j.jbusvent.2011.04.001>
- Kelly, L., Athanassiou, N., & Crittenden, W. F. (2000). Founder centrality and strategic behavior in the family-owned firm. *Entrepreneurship Theory and Practice*, 25(2), 27–42. <https://doi.org/10.1177/104225870002500202>

- Kelly, L., Lewa, P. M., & Kamaria, K. (2008). Founder centrality, management team congruence and performance in family firms: A Kenyan context. *Journal of Developmental Entrepreneurship*, 13(4), 383–407. <https://doi.org/10.1142/S1084946708001046>
- Khavul, S., Bruton, G. D., & Wood, E. (2009). Informal family business in Africa. *Entrepreneurship Theory and Practice*, 33(6), 1219–1238. <https://doi.org/10.1111/j.1540-6520.2009.00342.x>
- Khayesi, J. N. O., George, G., & Antonakis, J. (2014). Kinship in entrepreneur networks: Performance effects of resource assembly in Africa. *Entrepreneurship Theory and Practice*, 38(6), 1323–1342. <https://doi.org/10.1111/etap.12127>
- Kontinen, T., & Ojala, A. (2011). Network ties in the international opportunity recognition of family SMEs. *International Business Review*, 20(4), 440–453. <https://doi.org/10.1016/j.ibusrev.2010.08.002>
- Kotha, R., & George, G. (2012). Friends, family, or fools: Entrepreneur experience and its implications for equity distribution and resource mobilization. *Journal of Business Venturing*, 27(5), 525–543. <https://doi.org/10.1016/j.jbusvent.2012.02.001>
- Kuhn, K. M., Galloway, T. L., & Collins-Williams, M. (2017). Simply the best: An exploration of advice that small business owners value. *Journal of Business Venturing Insights*, 8, 33–40. <https://doi.org/10.1016/j.jbvi.2017.05.003>
- Le Breton-Miller, I., & Miller, D. (2009). Agency vs. stewardship in public family firms: A social embeddedness reconciliation. *Entrepreneurship Theory and Practice*, 33(6), 1169–1191. <https://doi.org/10.1111/j.1540-6520.2009.00339.x>
- Lester, R. H., & Cannella, A. A. (2006). Interorganizational familiness: How family firms use interlocking directorates to build community-level social capital. *Entrepreneurship: Theory and Practice*, 30(6), 755–775. <https://doi.org/10.1111/etap.12073>
- Liu, C., Eubanks, D. L., & Chater, N. (2015). The weakness of strong ties: Sampling bias, social ties, and nepotism in family business succession. *Leadership Quarterly*, 26(3), 419–435. <https://doi.org/10.1016/j.leaqua.2015.02.007>
- Lyman, A. R. (1988). Life in the family circle. *Family Business Review*, 1(4), 383–398. <https://doi.org/10.1111/j.1741-6248.1988.00383.x>
- Madison, K., Holt, D. T., Kellermanns, F. W., & Ranft, A. L. (2016). Viewing family firm behavior and governance through the lens of agency and stewardship theories. *Family Business Review*, 29(1), 65–93. <https://doi.org/10.1177/0894486515594292>
- Mahmood, I. P., Zhu, H., & Zajac, E. J. (2011). Where can capabilities come from? Network ties and capability acquisition in business groups. *Strategic Management Journal*, 32, 820–848. <https://doi.org/10.1002/smj>
- Mani, D., & Durand, R. (2019). Family firms in the ownership network: Clustering, bridging, and embeddedness. *Entrepreneurship Theory and Practice*, 43(2), 330–351. <https://doi.org/10.1177/1042258718796082>
- Miller, D., & Le Breton-Miller, I. (2014). Deconstructing socioemotional wealth. *Entrepreneurship Theory and Practice*, 38(4), 713–720. <https://doi.org/10.1111/etap.12111>
- Mitchell, R. K., Agle, B. R., & Wood, D. J. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *Academy of Management Review*, 22(4), 853–886.
- Mitchell, R. K., Agle, B. R., Chrisman, J. J., & Spence, L. J. (2011). Toward a theory of stakeholder salience in family firms. *Business Ethics Quarterly*, 21(2), 235–255.
- Mochkabadi, K., & Volkmann, C. K. (2020). Equity crowdfunding: A systematic review of the literature. *Small Business Economics*, 54(1), 75–118. <https://doi.org/10.1007/s11187-018-0081-x>
- Nahapiet, J., & Goshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. *Academy of Management Review*, 23(2), 242–266.
- Neckebrouck, J., Schulze, W., & Zellweger, T. (2018). Are family firms good employers? *Academy of Management Journal*, 61(2), 553–585. <https://doi.org/10.5465/amj.2016.0765>
- Patel, P. C., & Fiet, J. O. (2011). Knowledge combination and the potential advantages of family firms in searching for opportunities. *Entrepreneurship Theory and Practice*, 35(6), 1179–1197. <https://doi.org/10.1111/j.1540-6520.2011.00497.x>
- Penney, C. R., Vardaman, J. M., Marler, L. E., & Antin-Yates, V. M. (2019). An image theory of strategic decision decision-making in family businesses. *Journal of Family Business Management*, 9(4), 451–467. <https://doi.org/10.1108/JFBM-05-2019-0032>
- Peredo, A. M., & Chrisman, J. J. (2006). Toward a theory of community-based enterprise. *Academy of Management Review*, 31(2), 309–328. <https://doi.org/10.5465/amr.2006.20208683>
- Pucci, T., Brumana, M., Minola, T., & Zanni, L. (2020). Social capital and innovation in a life science cluster: The role of proximity and family involvement. *Journal of Technology Transfer*, 45(1), 205–227. <https://doi.org/10.1007/s10961-017-9591-y>
- Ravasi, D., & Marchisio, G. (2003). Going public and the enrichment of a supportive network. *Small Business Economics*, 21(4), 381–395. <https://doi.org/10.1023/A:1026119221991>
- Renzulli, L. A., Aldrich, H., & Moody, J. (2000). Family matters: Gender, networks, and entrepreneurial outcomes. *Social Forces*, 79(2), 523–546. <https://doi.org/10.1093/sf/79.2.523>
- Ring, J. K., Peredo, A. M., & Chrisman, J. J. (2010). Business networks and economic development in rural communities in the United States. *Entrepreneurship Theory and Practice*, 34(1), 171–195. <https://doi.org/10.1111/j.1540-6520.2009.00307.x>
- Romano, M., Favino, C., Pennacchio, L., & Grimaldi, F. (2020). CEO social capital in family businesses and its effect on investment opportunities: Asset or liability? *Corporate Social Responsibility and Environmental Management*, in Press. <https://doi.org/10.1002/csr.1941>
- Salvato, C., & Melin, L. (2008). Creating value across generations in family-controlled businesses: The role of family social capital. *Family Business Review*, 21(3), 259–276. <https://doi.org/10.1111/j.1741-6248.2008.00127.x>
- Schell, S., Hiepler, M., & Moog, P. (2018). It's all about who you know: The role of social networks in intra-family succession in small and medium-sized firms. *Journal of Family Business Strategy*, 9(4), 311–325. <https://doi.org/10.1016/j.jfbs.2018.08.003>

- Schulze, W. S., Lubatkin, M. H., Dino, R. N., & Buchholtz, A. K. (2001). Agency relationships in family firms: Theory and evidence. *Organization Science*, 12(2), 99–116. <https://doi.org/10.1287/orsc.12.2.99.10114>
- Seaman, C., McQuaid, R., & Pearson, M. (2014). Networks in family business: A multi-rational approach. *International Entrepreneurship and Management Journal*, 10(3), 523–537. <https://doi.org/10.1007/s11365-014-0297-4>
- Seaman, C., McQuaid, R., & Pearson, M. (2017). Social networking in family businesses in a local economy. *Local Economy*, 32(5), 451–466. <https://doi.org/10.1177/0269094217722505>
- Shi, H. X., Shepherd, D. M., & Schmidts, T. (2015). Social capital in entrepreneurial family businesses: The role of trust. *International Journal of Entrepreneurial Behaviour and Research*, 21(6), 814–841. <https://doi.org/10.1108/IJEBR-04-2015-0090>
- Sirmon, D. G., & Hitt, M. A. (2003). Managing resources: Linking unique resources, management, and wealth creation in family firms. *Entrepreneurship Theory and Practice*, 27(4), 339–358. <https://doi.org/10.1111/1540-8520.t01-1-00013>
- Smith, G. D. (2009). East Africa: Extended families with many rights. *Entrepreneurship Theory and Practice*, 33(6), 1239–1244. <https://doi.org/10.1111/j.1540-6520.2009.00343.x>
- Spriggs, M., Yu, A., Deeds, D., & Sorenson, R. L. (2013). Too many cooks in the kitchen: Innovative capacity, collaborative network orientation, and performance in small family businesses. *Family Business Review*, 26(1), 32–50. <https://doi.org/10.1177/0894486512468600>
- Steier, L. (2001). Next-generation entrepreneurs and succession: An exploratory study of modes and means of managing social capital. *Family Business Review*, 14(3), 259–276. <https://doi.org/10.1111/j.1741-6248.2001.00259.x>
- Steier, L., Chua, J. H., & Chrisman, J. J. (2009). Embeddedness perspectives of economic action within family firms. *Entrepreneurship Theory and Practice*, 33(6), 1157–1167. <https://doi.org/10.1111/j.1540-6520.2009.00338.x>
- Strauss, A., & Corbin, J. (1990). *Basics of qualitative research: Grounded theory procedures and techniques*. Sage Publications.
- Tabor, W., Chrisman, J. J., Madison, K., & Vardaman, J. M. (2018). Nonfamily members in family firms: A review and future research agenda. *Family Business Review*, 31(1), 54–79. <https://doi.org/10.1177/0894486517734683>
- Tranfield, D., Denyer, D., & Smart, P. (2003). Towards a methodology for developing evidence-informed management knowledge by means of systematic review. *British Journal of Management*, 14(3), 207–222. <https://doi.org/10.1111/1467-8551.00375>
- Vardaman, J. M., Allen, D. G., & Rogers, B. L. (2018). We are friends but are we family? Organizational identification and nonfamily employee turnover. *Entrepreneurship Theory and Practice*, 42(2), 290–309. <https://doi.org/10.1177/1042258717749235>
- Venkatesh, V., Shaw, J. D., Sykes, T. A., Wamba, S. F., & Macharia, M. (2017). Networks, technology, and entrepreneurship: A field quasi-experiment among women in rural India. *Academy of Management Journal*, 60(5), 1709–1740. <https://doi.org/10.5465/amj.2015.0849>
- Verbeke, A., & Kano, L. (2012). The transaction cost economics theory of the family firm: Family-based human asset specificity and the bifurcation bias. *Entrepreneurship Theory and Practice*, 36(6), 1183–1205. <https://doi.org/10.1111/j.1540-6520.2012.00545.x>
- Williamson, O. E. (1989). Transaction cost economics. In R. Schmalensee & R. D. Willig (Eds.), *Handbook of industrial organization* (pp. 136–182). Elsevier Science. <https://doi.org/10.2139/ssrn.2020176>
- Wiseman, R. M., & Gomez-Mejia, L. R. (1998). A behavioral agency model of managerial risk taking. *Academy of Management Review*, 23(1), 133. <https://doi.org/10.2307/259103>
- Wiseman, R. M., Cuevas-Rodríguez, G., & Gomez-Mejia, L. R. (2012). Towards a social theory of agency. *Journal of Management Studies*, 49(1), 202–222. <https://doi.org/10.1111/j.1467-6486.2011.01016.x>
- Wong, B., McReynolds, B. S., & Wong, W. (1992). Chinese family firms in the San Francisco Bay Area. *Family Business Review*, 5(4), 355–372. <https://doi.org/10.1111/j.1741-6248.1992.00355.x>
- Young, C. S., & Tsai, L. C. (2008). The sensitivity of compensation to social capital: Family CEOs vs. nonfamily CEOs in the family business groups. *Journal of Business Research*, 61(4), 363–374. <https://doi.org/10.1016/j.jbusres.2007.07.022>
- Yu, J., Zhou, J. X., Wang, Y., & Xi, Y. (2013). Rural entrepreneurship in an emerging economy: Reading institutional perspectives from entrepreneur stories. *Journal of Small Business Management*, 51(2), 183–195. <https://doi.org/10.1111/jsbm.12012>
- Zahra, S. A., Neubaum, D. O., & Larrañeta, B. (2007). Knowledge sharing and technological capabilities: The moderating role of family involvement. *Journal of Business Research*, 60(10), 1070–1079. <https://doi.org/10.1016/j.jbusres.2006.12.014>
- Zain, M., & Kassim, N. M. (2012). Strategies of family businesses in a newly globalized developing economy. *Journal of Family Business Management*, 2(2), 147–165. <https://doi.org/10.1108/20436231211261880>
- Zellweger, T. M., Kellermanns, F. W., Chrisman, J. J., & Chua, J. H. (2012a). Family control and family firm valuation by family CEOs: The importance of intentions for transgenerational control. *Organization Science*, 23(3), 851–868. <https://doi.org/10.1287/orsc.1110.0665>
- Zellweger, T. M., Kellermanns, F. W., Eddleston, K. A., & Memili, E. (2012b). Building a family firm image: How family firms capitalize on their family ties. *Journal of Family Business Strategy*, 3(4), 239–250. <https://doi.org/10.1016/j.jfbs.2012.10.001>
- Zellweger, T. M., Chrisman, J. J., Chua, J. H., & Steier, L. (2019). Social structures, social relationships, and family firms. *Entrepreneurship Theory and Practice*, 43(2 Special Issue), 207–223. <https://doi.org/10.1177/1042258718792290>

Publisher's note Springer Nature remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.

Springer Nature or its licensor holds exclusive rights to this article under a publishing agreement with the author(s) or other rightsholder(s); author self-archiving of the accepted manuscript version of this article is solely governed by the terms of such publishing agreement and applicable law.