

Gyula Márton Szabó

Challenges Caused by Socioemotional Wealth and Their  
Management During the Internationalization of Family Firms

Doctoral School of  
Business and Management

Supervisor:

Balázs Vaszkun PhD

© Gyula Márton Szabó

CORVINUS UNIVERSITY OF BUDAPEST  
Doctoral School of Business and Management

Institute of Strategy and Management  
Department of Management and Organization

Doctoral Dissertation

Gyula Márton Szabó

Challenges Caused by Socioemotional Wealth and Their  
Management During the Internationalization of Family Firms

Supervisor:  
Balázs Vaszkun PhD

Budapest  
2025



## Table of Contents

<b>1. THE CONCEPT OF THE RESEARCH</b>	<b>10</b>
1.1. Introduction and Structure of the Dissertation	10
1.2. Research goals	12
1.2.1. Research goals	12
1.2.2. Research Problem and Significance of the Study	13
1.3. Key definitions	15
1.3.1. Family firms	17
1.3.2. Socio-emotional wealth (SEW)	18
1.3.3. Entrepreneurial orientation (EO)	21
1.3.4. Internationalization	22
1.3.4.1. Specific Aspects of Family Business Internationalization in the Light of Scholarly Discourse	24
1.3.4.2. The Examination of SME Internationalization in the Hungarian Academic Discourse	25
1.3.5. Underexplored and Debated Domains	29
1.4. Limitations and research questions	30
1.5. Research concept	32
1.5.1. Research method	35
1.5.1.1. Literature review	35
1.5.1.2. Case study	36
1.5.1.3. Quantitative analyses	37
<b>2. SZABÓ, GM: FAMILY FIRMS IN THE MAELSTORM OF INTERNATIONAL MARKET ENTRY AND INNOVATION – CAN SOCIO-EMOTIONAL WEALTH (SEW) AND ENTREPRENEURIAL ORIENTATION (EO) BE RECONCILED</b>	<b>39</b>
2.1. Abstract	39
2.2. Introduction	39
2.3. Research method	41
2.4. Conceptual definitions	42
2.4.1. Family firms	42
2.4.2. Socio emotional wealth (SEW)	43
2.4.3. Innovation	45
2.4.4. Internationalisation	46
2.5. The relationship between innovation and internationalization	49
2.5.1. Entrepreneurial orientation (EO)	50
2.5.2. Learning by exporting	51
2.5.3. Primary target areas for internationalization	51
2.5.4. Family versus non-family businesses	52
2.6. Building a theoretical model	54
2.6.1. Captured by the SEW	54
2.6.2. Middle East success, Carpathian Basin failure	54
2.7. SEW versus EO instead of SEW + EO	56
2.8. Summary	58

<b>3. <u>SZABÓ, GM: THE WALKING DEAD STRATEGY – THE CONNECTION BETWEEN SEW AND EO. SYSTEMATIC LITERATURE REVIEW</u></b>	<b>61</b>
3.1. Abstract	61
3.2. Introduction	61
3.3. Research methodology and structure	62
3.4. Definitions of terms	65
3.4.1. Family firms	65
3.4.2. Socio-emotional wealth (SEW)	66
3.4.2.1. The concept of SEW	66
3.4.2.2. The dimensions of the SEW	67
3.4.2.3. The impacts of the SEW	68
3.4.3. Entrepreneurial orientation (EO)	68
3.4.3.1. The concept and the dimensions of the EO	68
3.4.3.2. The impacts of the dimensions of the EO and the factors affecting the dimensions	69
3.4.3.3. The relationship between socio-emotional wealth and entrepreneurial orientation	71
3.4.4. SEW limits EO	71
3.4.5. The relationship between SEW and EO is ambivalent	71
3.4.6. Alternative approaches of the relationship	73
3.5. Building a theoretical summary model	74
3.6. Results, limitations of the research	78
3.7. Practical suggestions – The Walking Dead Strategy	79
<b>4. <u>SZABÓ, GM – KUN, ZS: THE RELATIONSHIP BETWEEN THE INTERNATIONALIZATION OF FAMILY FIRMS AND THE DIMENSIONS OF THEIR SEW ACCORDING TO THE FIBER SCALE</u></b>	<b>81</b>
4.1. Introduction	81
4.2. Theoretical framework	84
4.2.1. Conceptualizing Socioemotional Wealth	84
4.2.2. Conceptualizing Internationalization	85
4.2.3. The relationship between the Two in the context of Family Firms	86
4.3. Research method	88
4.3.1. Definitons of Variables and Descriptive Statistics	89
4.3.1.1. SEW dimensions	89
4.3.1.2. International Activity	91
4.3.2. Research approaches	91
4.3.2.1. SEW Dimensions in Relation to the Firm’s International Activity	91
4.3.2.2. Firm Clusters Based on SEW Dimensions	93
4.3.2.3. SEW Clusters and International Activity	95
4.3.2.4. The Impact of Firm Age and Transgenerational Succession on Internationalization	96
4.3.2.5. The Impact of Firm Age and Transgenerational Succession on Internationalization	97
4.4. Conclusions and Summary	98
4.5. Theoretical Contribution	101
4.6. Practical Implications	102
4.7. Limitations and future research	102

<b>5. <u>SUMMARY OF RESULTS, INTEGRATIVE MODEL</u></b>	<b>104</b>
5.1. Theoretical Integrative Model	106
5.1.1. Model development	106
5.1.2. Interpretation of the Figure	107
5.1.3. The Nature of the Relationship Between SEW and EO	109
5.1.4. The Dual Nature of Socioemotional Wealth	110
5.1.5. Research Questions and the Answers	113
5.1.6. Historia est magistra vitae	114
5.2. Practical implication	116
5.3. Future Research	117
<b>6. <u>REFERENCES</u></b>	<b>119</b>
<b>7. <u>LIST OF ARTICLES</u></b>	<b>144</b>

## List of tables and figures

### Tables

#### **Chapter 1**

Table 1: Dimensions of Socioemotional Wealth According to the FIBER scale (adapted from Berrone 2012, own compilation) 18

Table 2: Summary of the Research Concept of the Dissertation (own compilation) 34

#### **Chapter 2**

Table 1: Analysis of the articles examined by subject and usefulness (own compilation) 42

Table 2: The FIBER scale and its categories (own compilation after Berrone (2012)) 43

Table 3: Managing and unifying the effects of SEW and EO to enhance corporate performance (own compilation) 60

#### **Chapter 3**

Table 1: Steps of the systematic literature review as proposed by Webster & Watson (based on (Webster & Watson, 2002), own figure) 63

Table 2: Summary of relationships between elements in the model with source labelling (own table) 74

#### **Chapter 4**

Table 1: Own Compilation Based on Kraus et al (2016) 88

Table 2: Companies Included in the Research (Own Compilation) 88

Table 3: Development of the Measurement Dimensions of the FIBER Scale (Own Compilation)	90
Table 4: Method of Constructing Internationalization Categories and Their Distributions (Own Compilation)	91
Table 5: Characteristics of SEW Dimensions by Internationalization Groups (Own Compilation)	92
Table 6: Hypothesis in Light of the Research Findings (Own Compilation)	101

## **Chapter 5:**

Table 1: Summary of Research Findings (own compilation)	105
---	-----

## Figures

### **Chapter 1**

Figure 1: The interrelationships between the concepts under discussion (Own Compilation)	16
Figure 2: Structure and Development of the Entrepreneurial Orientation Concept Applied in the Dissertation (Own Compilation)	22
Figure 3: Categorization of Models Examining Firm Internationalization (Adapted from Czako&Reszegi 2010, own compilation)	23
Figure 4: Structure of the Research (Own Compilation)	33
Figure 5: Research Methodology Applied in the Study (Own Compilation)	37

### **Chapter 3**

Figure 1: Breakdown of the 69 articles in the study by year of publication (Own Compilation)	64
Figure 2: The process of selecting the literature to be included in the study ((Kisfürjesi & Hofmeister-Tóth, 2022), own diagram)	64
Figure 3: Effects of SEW and EO dimensions and model inputs on and from EO and SEW (own compilation)	76
Figure 4: The influence of SEW on the impact of EO dimensions on performance (own compilation)	77

### **Chapter 4**

Figure 1: Means and Standard Deviations of SEW Dimensions in the Sample with Box Plots (Own Compilation)	90
--	----

Figure 2: Distribution of Family Influence and Control by Groups (Own Compilation Using JASP)	93
Figure 3: Distribution of emotional attachment by groups (Own Compilation using JASP)	93
Figure 4: Cluster Centroids of SEW Clusters (Own Compilation Using JASP)	94
Figure 5: SEW clusters and industry (Own Compilation Using JASP and Excel)	95
Figure 6: Distribution of groups by international activity according to SEW clusters (Own Compilation)	96
Figure 7: Proposition of SEW clusters Within Each Company Size (Own Compilation Using JASP and Excel)	97
Figure 8: Distribution of firm succession by SEW clusters (Own Compilation)	98
 <b>Chapter 5</b>	
Figure 1: The Integrative Model of the Dissertation (Own Compilation)	108

## **1. THE CONCEPT OF THE RESEARCH**

### 1.1 Introduction and Structure of the Dissertation

My research topic focuses on socioemotional wealth, a concept integrated into the family business literature since 2007, and its relationship with the internationalization of family firms. (Gómez-Mejía et al., 2007).

In the following section, I outline the structure of my dissertation. In the first chapter, I elaborate on the aim and significance of my research, define the research problem, discuss my personal motivation, clarify the key concepts related to my study, and describe the conceptual framework and research questions guiding my analysis. To facilitate comprehension, I complemented the written itinerary (*itinerarium scriptum*) with several illustrative figures, serving as a kind of *itinerarium pictum*. The dissertation is built upon three of my studies, each of which I have also presented to the academic community in the form of international conference presentations over the past two years.

The first article examines which relationships within the literature primarily characterize research on the connection between internationalization and innovation in family firms. Subsequently, it narrows its analytical focus by establishing four categories, and proceeds to analyze how socioemotional wealth can support the development of family firms during their internationalization process.

The second article scrutinizes the dual relationship between socioemotional wealth and entrepreneurial orientation, providing a detailed analysis of the scholarly approaches to these concepts, the evolution of their conceptual frameworks, and their mutual influences. Ultimately, it proposes a model aimed at reconciling and integrating seemingly contradictory effects into a cohesive direction.

The third article connects the degree of internationalization of family firms to specific dimensions and values of socioemotional wealth. Utilizing quantitative research methods, it analyzes the relationship between the dimensions of socioemotional wealth as defined by the FIBER scale and the degree of internationalization, including differences according to levels of international commitment.

The present research set out to explore a complex phenomenon through a multi-faceted and iterative approach. The initial premise—that innovation exerts a substantial influence on the internationalization trajectories of family firms—was validated early in the process, during the first study. This initial phase also allowed for a refinement of the research focus, as two interrelated constructs emerged whose interplay has the potential to substantially shape family firm behaviour, and thereby their capacity and willingness to internationalize.

Building on these insights, the second study sought to investigate this relationship in depth, unpacking the mechanisms through which entrepreneurial orientation (EO) and socioemotional wealth (SEW) operate and interact, dimension by dimension. This endeavour was particularly relevant given the pronounced divergence in the academic literature regarding this nexus: prevailing theoretical theses often conflict with empirical realities observed in practice. In light of this gap, a systematic, component-level analysis was conducted, yielding findings that, in large part, challenged and nuanced dominant scholarly assumptions.

Once the relationship between SEW and EO was conceptually reframed—from being perceived primarily as opposing forces of constraint and motivation, to being understood as complementary drivers that can cooperate to foster family firm growth—it became essential to extend the analysis to another critical perspective. The third stage of the research therefore examined SEW through the lens of the FIBER scale, assessing the relative strength of each of its dimensions across varying levels of internationalization. This approach enabled the identification of SEW dimensions that act as facilitators and those that function as inhibitors of cross-border expansion, providing actionable insights into which aspects require targeted managerial attention.

Finally, a cluster analysis yielded four distinct family firm profiles, each occupying a clearly differentiated position in the international economic landscape, and each characterised by a unique configuration of SEW attributes. These typologies offer a nuanced understanding of how specific socioemotional profiles align with, or diverge from, particular internationalization pathways, thereby enriching both the theoretical discourse and managerial practice in the family business field.

Given that my dissertation follows an article-based structure and each article is inherently complex on its own, some repetition may occur in the explanations of certain categories, in the presentation of definitions, and in the introduction of key concepts also

defined in the first chapter of the dissertation. Nevertheless, I have aimed to minimize such redundancies throughout my work. For ease of readability and clarity, the complete list of references cited in all chapters is presented at the end of the dissertation. However, tables and inline figures are numbered sequentially within each chapter.

## 1.2 Research goals

### 1.2.1 Research goals

The aim of my research has been shaped by my affiliation with the Institute of Strategy and Management at Corvinus University of Budapest, which places challenges and their management in organizational leadership at the center of my scholarly interest. Since my institutional activities are carried out in close collaboration with the Corvinus Center of Family Business — benefiting from the intellectual and professional support and guidance of both entities — my research naturally took on a narrower focus within organizational studies, specifically concentrating on family businesses.

Additionally, I myself participate in the management of a family-owned corporate group, and in my professional activities, I interact with numerous other family firms, regularly encountering the practical manifestations of challenges stemming from their family-based characteristics. These include succession and professionalization issues, as well as distinctive patterns of family-influenced decision-making, which, based on my experience, often hinder firms' growth and development by prioritizing security at the expense of opportunities for expansion and progress. However, as I gained deeper familiarity with the scholarly literature on family businesses, I found that some of the academic assertions were directly contradicted by my practical experiences. This duality further narrowed my research interest, ultimately leading me to the concept of socioemotional wealth, a notion uniquely characteristic of family firms and subject to diverse interpretations. Consequently, I felt compelled to share my personal experiences on this topic as part of my scholarly contribution.

The practical objective of my research, supported by scientific methods and incorporating practical experiences, is to provide methodological guidance for leaders of family firms, enabling them to reconcile their desire to preserve family values and control precisely through organizational development initiatives. As my goal is to offer tangible assistance to these business leaders, in accordance with the recommendations of Miles and

Huberman (Miles & Huberman, 1994), I occasionally illustrate concepts using cases that, while contextually distant from my primary research area, serve effectively to clarify and demonstrate my ideas. Importantly, these illustrative cases are not intended to empirically validate the theoretical contributions presented in my articles; rather, their primary purpose is to enhance the understanding and visualization of those contributions.

My intellectual objective is to explore and understand how socioemotional wealth and its individual dimensions function within family firms, including identifying complementary factors emerging during their operations that influence decision-making processes related to entrepreneurial orientation. Furthermore, I aim to determine which values, when consciously managed, can facilitate and drive successful internationalization and development in family enterprises.

### 1.2.2. Research Problem and Significance of the Study

Gaining a comprehensive understanding of the decision-making mechanisms within family firms is essential from multiple perspectives. Firstly, family enterprises hold significant weight in the global economy, making the analysis of their operations an indispensable task. (Zellweger, 2017). Secondly — and not entirely independently from my first point — it has been demonstrated that family firms operate according to a distinct and more complex logic, incorporating numerous non-economic aspects alongside purely economic considerations (Wang et al., 2021a). Thirdly, the Central and Eastern European context, particularly the Hungarian one, specifically merits attention. This is due to the systemic transformations of the final decade of the 20th century, which—contrary to previous socialist systems that de jure excluded family business operations—established a new starting point for entrepreneurial families, providing them with legal opportunities and regulatory frameworks. Consequently, a significant proportion of firms founded mostly during the 1990s and still operational today lack the multi-generational experience possessed by their Western European, North American, or East Asian counterparts, who benefited from historically more favorable conditions. Nevertheless, the unconditional adoption of these foreign routines and experiences would not yield identical results, primarily due to historical and cultural differences. Moreover, until the systemic transformation, participants in the Hungarian economy operated predominantly within the markets of the Council for Mutual Economic Assistance (COMECON), which provided a secure environment despite

production costs typically exceeding competitive world-market levels, and products or services generally falling below global standards. Consequently, the systemic transformation and economic liberalization — opening the Hungarian economy to the global market and vice versa — caused substantial disruption. Hungarian enterprises faced unprecedented competition, often against competitors already well-versed both in high-quality operations and intense market rivalry. Summarily, it appears necessary to generate region-specific knowledge through the integration of theory and practice, occasionally even challenging assertions that hold true for economic organizations in other regions.

My introduction was written with a specific purpose, as its content directly informs and contextualizes my research problem. In family firms — regardless of whether their development is continuous or occurs during distinct periods — the founder-owner exerts the most significant influence on company operations prior to the first generational transition, often deriving meaning for nearly their entire life through the business itself. (Moreno-Menéndez et al., 2022). Naturally, this also entails an inherent need for unrestricted control over the enterprise, which extends beyond family ownership and oversight to include operational management as well (Berrone et al., 2012a). Moreover, these considerations frequently override economic rationale within corporate decision-making, thereby potentially hindering the firm's development. The problem, therefore, emerges inherently: the pursuit of security—driven predominantly by the intention to ensure long-term survival and facilitate transgenerational succession—and the associated desire for control stemming from this aim, tend to encourage cautious decision-making. Consequently, decision-makers frequently forgo economic opportunities that could otherwise further stabilize and advance the firm, thereby paradoxically strengthening security and control. In other words, the path surrounded by fear ultimately leads to conditions promising greater security, yet remaining stationary diminishes the firm's competitiveness, resource access, and innovation capabilities. Hence, this deceptive sense of security ironically poses the greatest threat to the survival of family firms.

Beyond the points outlined above, the significance of the research problem scarcely requires further elaboration. It is readily apparent that socioemotional wealth, in the absence of conscious management, may coil around family firms like a serpent biting its own tail — potentially stifling their operations by obstructing pathways to innovation, development, and internationalization. Paradoxically, this could lead to the very downfall of everything that such enterprises aim most to preserve.

### 1.3 Key definitions

While the articles presented in Chapters 2, 3, and 4 provide detailed descriptions and comprehensive reviews of the concepts that are central to this research, it still appears necessary to define these terms at the beginning of the dissertation, preceding the aforementioned chapters. Doing so ensures that readers can more readily comprehend and become acquainted with the research area.

*Family firm* operations—much like those of non-family businesses—are fundamentally results-oriented. However, their activities often yield a range of non-financial outcomes which, from the founders' perspective, may carry at least equal importance to financial profit and, in some cases, may even outweigh it. While the present research examines this primarily in the context of internationalization, mapping this distinctive set of objectives constitutes one of the core themes of the dissertation as a whole. The developmental processes and stages of family firms often parallel those of non-family businesses, yet notable differences emerge at critical junctures and milestones. This is because their decision-making logic is not driven solely by economic rationality, but also incorporates considerations of security, long-term sustainability, the intention and possibility of transgenerational succession, the preservation of family influence and control, and the maintenance of family business identity. Collectively, these priorities are captured by the concept of *socioemotional wealth* (Gómez-Mejía et al., 2007).

This orientation does not, of course, preclude the pursuit of profit maximization. *Entrepreneurial orientation* (EO)—often present from the firm's inception—is one of the primary drivers of family firm growth, propelling the organization forward, keeping it in constant motion, and equipping it to withstand market challenges. The key elements of EO, such as risk-taking and innovativeness, may at first appear to be in tension with the measured, deliberate approach often associated with family firms. In practice, however, family firms' decision-making mechanisms are adept at managing this tension: leaders assess and deconstruct risks until they reach a level deemed acceptable. This approach not only facilitates growth but also supports long-term sustainability, as carefully prepared decisions are more likely to yield successful developments and innovations. Such developments often carry with them the potential for entry into international markets.

The depth and form of *internationalization* vary across family firms. Certain internationalization pathways are particularly characteristic of such firms, while others are less so. As with EO, a well-prepared, robust decision to enter foreign markets can safeguard the firm’s stability in much the same way as a timely and well-implemented innovation. Conversely, excessive caution—causing the firm to forgo a genuine, highly profitable business opportunity—may stall development and, in doing so, undermine key dimensions of socioemotional wealth. This, in turn, reduces the likelihood of transgenerational succession and distances the firm from sustainable, successful, and competitive performance.

The figure below depicts the interconnectedness and sequential alignment of these concepts within the family business context.

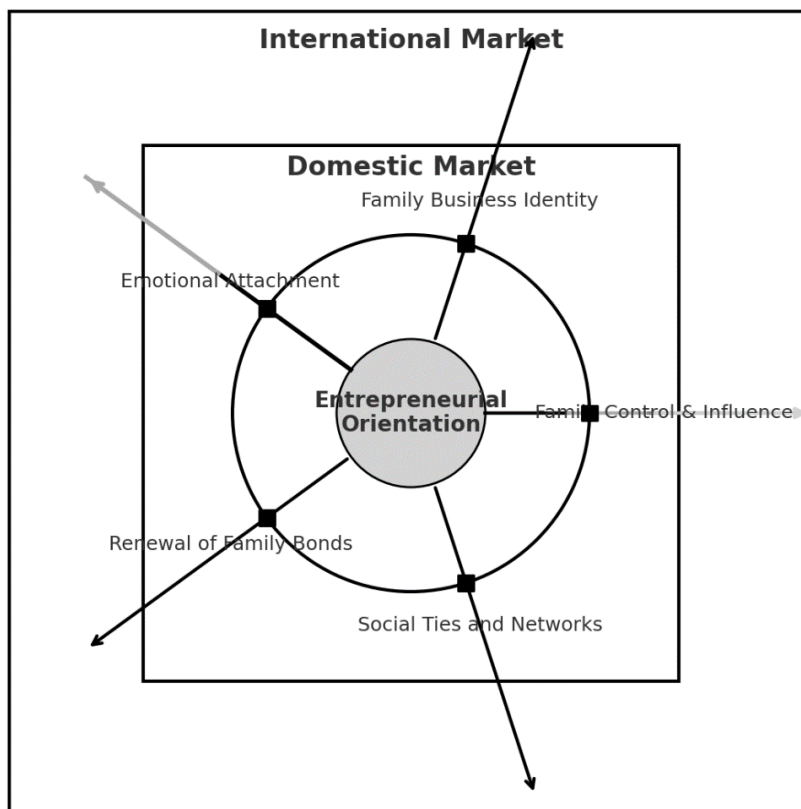


Figure 1: The interrelationships between the concepts under discussion (own compilation)

Given these interrelationships and the way these categories overlap and build upon one another, it is essential to present the key concepts individually—an endeavour undertaken in the sections that follow.

For each of the concepts discussed below, multiple perspectives from the literature are presented in order to capture the diversity of scholarly findings and viewpoints. Nevertheless, in the central chapters of this dissertation, a consistent framework is applied: the FIBER scale is used for socioemotional wealth, while Lumpkin's five-dimensional model is employed for entrepreneurial orientation.

### 1.3.1 Family firms

Surprisingly, the now extensive body of literature on family businesses still lacks a universally accepted, consensus-based definition of the concept. Instead, various definitional frameworks coexist, each partially overlapping with others, yet typically not fully aligning with one another.

Perhaps the most widely recognized approach to describing family businesses is the theory known as the three-circle model. According to this framework, the operation of family firms occurs within the overlapping spheres of family, ownership, and business, and it is the interplay among these three elements that shapes the company's decision-making processes. (Tagiuri & Davis, 1996).

In cases where managers originate from the same family, adherence to shared social values and the establishment of a common vision rooted in family traditions become highly probable. This fosters loyalty, thus turning into a significant intangible asset for the firm. (Meneses et al., 2014).

Given my institutional affiliation, for the purposes of my research, I naturally considered the definition established and utilized by the Family Business Center of Corvinus University of Budapest as valid. According to this definition, a firm's family nature is determined by the family's presence in ownership and management, and the manifestation of family values within the company's operations. Another essential component is that one or more families should hold dominant control over the firm (Wiesz, Martos, et al., 2021), requiring at least a 50% ownership stake (Wiesz & Drótos, 2018). Family firms possess a significant transgenerational succession intention that strongly influences their decision-making processes, simultaneously ensuring their capacity for long-term operation (Wiesz,

2020). Precisely for this reason, the traditional family business perspective considers conservative management practices and, preferably, risk-averse behavior as significant characteristics of family firms (Singal & Batra, 2021a).

### 1.3.2 Socio-emotional wealth (SEW)

The most fundamental concept throughout my research is socioemotional wealth (SEW). As mentioned multiple times above, decision-making in family firms is not solely driven by economic considerations; rather, it also incorporates non-economic factors. In recognition of this, the concept of SEW was introduced in 2007 as the aggregate of these non-economic considerations within family business decision-making (Gómez-Mejía et al., 2007). To facilitate its operationalization, the first measurement scale for SEW was developed five years later, named FIBER, derived from the initials of its five dimensions (Berrone et al., 2012a). The five key components of this framework are presented in the table below..

<b>DIMENSIONS OF FIBER SCALE</b>	<b>DEFINITIONS OF DIMENSIONS</b>
<b>FAMILY CONTROL AND INFLUENCE</b>	Primarily refers to control over strategic decisions
<b>IDENTIFICATION OF FAMILY MEMBERS WITH THE FIRM</b>	Indicates the identification of family members with the firm Extends to both internal and external stakeholders of the company
<b>BINDING SOCIAL TIES</b>	Represents the mutually existing relationships with internal and external stakeholders, enhancing stability and commitment
<b>EMOTIONAL ATTACHMENT</b>	With the blurring boundaries between the family and the business, current emotions strongly influence the firm's decision-making process

<b>RENEWAL OF FAMILY BONDS</b>	<p>Reflects the intent of family business leadership to retain ownership and management rights within the family across generations</p> <p>In this context, the concept of "patient capital" emerged, referring to the family's long-term investment approach, which also implies a conservative and risk-averse attitude.</p>
--------------------------------	--

Table 1: Dimensions of Socioemotional Wealth According to the FIBER Scale (Adapted from Berrone et al., 2012a, own compilation)

The FIBER scale was later complemented by additional measurement frameworks, both simplifying and refining its dimensions (Debicki et al., 2016; Hauck et al., 2016; Reina et al., 2023) , which will be discussed in detail in the following chapters.

Beyond the categories outlined above, other key aspects include the close-knit culture of family firms, long-term commitment of family members, sustainability, and the integration of family values into business operations (Zellweger & Astrachan, 2008).

These factors differentiate decision-making mechanisms in family firms from those in non-family firms, although the impact of SEW is subject to diverse interpretations in the literature. For instance, Ingram describes socioemotional wealth as the "emotional posture" of organizations, acting as a mediator between organizational flexibility and performance (Ingram & Bratnicka-Mysliwiec, 2021). Meanwhile, other scholars emphasize the dynamic nature of SEW, noting that its intensity typically diminishes after the first generation (Moreno-Menéndez et al., 2022). As a firm evolves, SEW influences the extent to which family firms allow "outsiders"—non-family professional managers—into leadership roles, as adherence to SEW-driven goals remains a key consideration (Kallmuenzer, Hora, et al., 2018).

Initially perceived as a constraint that led to risk aversion, SEW is now increasingly seen as a strategic asset. More recent research suggests that SEW enables family firms to optimize risk management, ensuring the preservation and maximization of family security—

particularly during international market expansion (Haddoud et al., 2021a). In this way, SEW has the potential to positively impact firm performance (Tuirán-Álvarez et al., 2019).

Hungarian family business research has increasingly addressed the concept of socio-emotional wealth (SEW). Notably, the terminology used in the domestic literature varies: as highlighted by Baros-Tóth (2023), expressions such as *szocio-emocionális vagyon*, *társas-érzelmi vagyon*, and *társas emocionális vagyon* are all employed, each referring to the internationally recognized concept of socio-emotional wealth. In her work, the author outlines the evolution of the conceptual framework, examines the shifting themes and intensity of the international academic discourse on the topic, and presents several of the measurement scales developed for capturing SEW (Baros-Tóth, 2023). Similarly, Németh (2018) dedicates part of her work to reviewing the methodological toolkit used for measuring SEW (Németh, 2018).

In their semi-systematic review, Mosolygó-Kiss and colleagues (2022) draw attention to the dynamic nature of socio-emotional wealth (SEW). They propose a model that incorporates moderating factors and emphasize that *“it is essential to move beyond a static interpretation of SEW and adopt an extended analytical approach. (...) We consider SEW as a continuously evolving set of values, which may increase or decrease in various ways and can be framed either as a gain or a loss depending on the specific business context. A key insight is that the level of SEW and the relative importance of its dimensions may vary across different companies within the same family’s business portfolio, among different family members, or even for the same individual across different time horizons and decision-making situations”* (Mosolygó-Kiss et al., 2022).

In their large-sample, quantitatively grounded study, Németh & Németh investigate changes in socio-emotional wealth (SEW) values and the relationship between specific SEW dimensions and firm performance, drawing on data from 195 Hungarian SMEs. In first-generation family firms, they identify higher levels of family bonding and social ties, whereas in multigenerational firms, family strategic commitment and family traditions appear more prominent. Furthermore, their findings indicate that both external and internal relationships are positively associated with firm performance. However, family values and traditions show a strongly negative relationship with performance. Additionally, no statistically significant correlation is found between innovation and the individual SEW dimensions in their sample (Németh & Németh, 2019). In his 2020 study, Wieszt reports a weak but positive relationship between the intention of transgenerational succession and firm performance (Wieszt, 2020).

This dissertation contributes to the ongoing discourse by, on the one hand, providing a systematic review of the definitional variants and measurement approaches of socio-emotional wealth (Chapters 2 and 3), and, on the other hand, by employing quantitative methods to examine the relationship between internationalization and the individual dimensions of socio-emotional wealth using the FIBER scale framework (Chapter 4).

### 1.3.3 Entrepreneurial orientation (EO)

The evolution of the conceptual meaning associated with entrepreneurial orientation (EO) in academic discourse can be precisely traced. When the term first emerged in the early 1980s, it was primarily linked to firms engaging in product or market innovation, demonstrating a willingness to take risks, and proactively introducing new ideas to the market as first movers (Miller, 1983). By the end of the decade, three specific dimensions—innovativeness, proactiveness, and risk-taking—were explicitly integrated into the definition of EO (Covin & Slevin, 1989). Later, two additional dimensions, autonomy and competitive aggressiveness, were introduced (Lumpkin & Dess, 1996), forming the conceptual framework that I have also adopted as the foundation for my dissertation, despite the existence of alternative approaches (Le Breton-Miller & Miller, 2023a; Lortie et al., 2021). Moreover, some scholars suggest that the examination of entrepreneurial orientation should extend beyond family businesses to include the entrepreneurial family as a unit of analysis (Zellweger et al., 2012). Instead of the traditional EO framework, these researchers propose the term Family Entrepreneurial Orientation (FEO), incorporating additional attitudinal components such as security, stability, and tradition into the conceptualization.

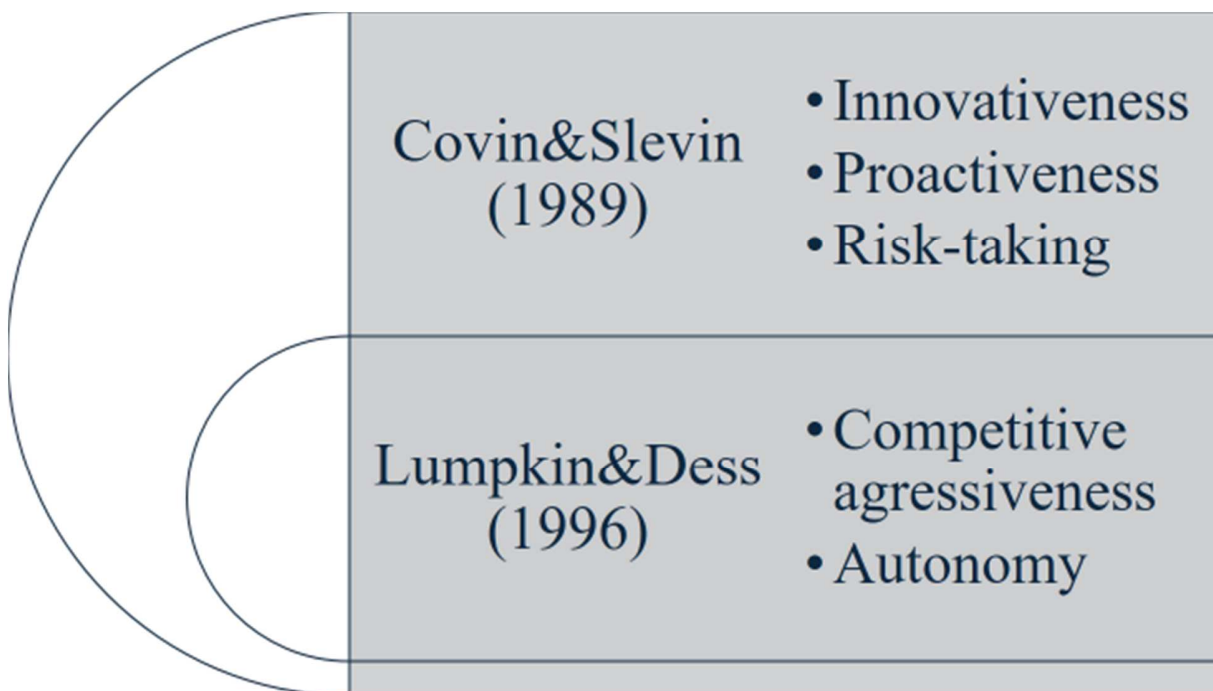


Figure 2: Structure and Development of the Entrepreneurial Orientation Concept Applied in the Dissertation (Own Compilation)

#### 1.3.4 Internationalization

The examination of firm internationalization has a much longer tradition compared to the previously discussed concepts. Research in this field typically builds on one of two fundamental questions: how internationalization occurs or why it takes place (Czakó & Reszegi, 2010).

The latter focuses on the driving forces behind internationalization, analyzing the factors and conditions that prompt firms to expand beyond their domestic markets. This category includes Hymer's early ideas on business power (Hymer, 1977), models explaining internationalization through the internalization of transactions within firms (Hennart, 2001; Rugman, 1980), the knowledge-based approach, which identifies core competencies as key drivers of firm competitiveness (Prahalad & Hamel, 2006), and the eclectic paradigm (OLI model), which integrates three dimensions: ownership-specific advantages, location-specific advantages, and internalization-specific advantages (Dunning, 1980a).

For a more detailed understanding of the process of internationalization, researchers rely on life-cycle or stage models. Among these, the Uppsala model is perhaps the most well-known, depicting internationalization as a four-stage process: beginning with exports,

followed by sales through agents, then the establishment of a proprietary sales network as sales volumes increase, and ultimately concluding with foreign direct investment (FDI) (Johanson & Vahlne, 1977). However, the born-global approach challenges and refines this traditional model, suggesting that some firms operate in international markets from their inception or very shortly thereafter (Czakó & Reszegi, 2010). A growing paradigm in recent years is the business network model (Johanson & Vahlne, 2009), which posits that firms operate as members of formal and informal networks. Those embedded in networks with international elements find it easier to embark on the path of internationalization. Finally, holistic models take a broader perspective, incorporating multiple factors into the analysis of internationalization (Welch & Luostarinen, 1988).



Figure 3: Categorization of Models Examining Firm Internationalization (Adapted from Czakó & Reszegi, 2010, own compilation)

For family firms, the most common internationalization pattern follows the process described in the Uppsala model (Pukall & Calabrò, 2014), although born-global firms can also be found within this category.

Specifically focusing on family firms, researchers have identified push factors (e.g., strategic incentives, competitive pressures, family needs) and pull factors (e.g., attractive locations, networks, first-mover advantages) influencing internationalization. Additionally,

certain factors have been found to support (e.g., simplified and rapid decision-making, organizational flexibility, stability derived from a long-term perspective) or restrict (e.g., disadvantages of strong attachment to control, contradictions between socioemotional wealth and international financial uncertainty) the international expansion of family firms ((Lohe et al., 2021).

#### 1.3.4.1. Specific Aspects of Family Business Internationalization in the Light of Scholarly Discourse

It is a widely acknowledged assertion in the literature that non-family firms are significantly more likely to engage in internationalization and do so at a higher rate compared to family-owned enterprises (Alessandri et al., 2018), family ownership and management are often considered impediments to internationalization, as family principals tend to exhibit a reluctance toward such strategic expansion (Ray et al., 2018). A more nuanced interpretation points to the so-called bifurcation bias, whereby family business leaders tend to default to preferential treatment of resource bundles that hold emotional significance for the family—often considered part of the family legacy. This bias may place their firms at a competitive disadvantage when selecting target markets or formulating market entry strategies (Kano & Verbeke, 2018). Consequently—drawing on the logic of mixed risk perception—family and non-family firms, as well as family firms with varying degrees of family ownership and involvement, tend to perceive changes in their socioemotional wealth and financial wealth differently throughout the process of internationalization (Alessandri et al., 2018). A critical distinction may also be observed between family-owned and family-managed firms versus family-owned but non-family-managed firms in terms of their internationalization pathways and international operations (Debellis et al., 2023). In the latter case, the phenomenon of the secondary agency problem may become particularly relevant (Singla et al., 2014). In the context of international partner selection by family firms, the degree of family involvement in governance plays a critical role. Empirical findings suggest that high family involvement tends to reinforce the influence of socioemotional wealth (SEW) considerations, leading to more cautious internationalization followed by modest success. In contrast, family firms with lower levels of family control are more inclined to adopt real options logic when forming international partnerships—resulting in more dynamic and effective growth trajectories (Kampouri et al., 2025). The first scenario is explored in greater depth by Kampouri et al.

(2025), who develop a model that systematizes the role of emotions in internationalization and offers actionable recommendations for family business leaders (Kampouri et al., 2025). Excessive protection and emphasis on family values during international partner selection may, however, hinder the success of internationalization efforts (Kampouri & Hajidimitriou, 2023). In this context, accepting integration offers from global corporate suppliers may also represent an alternative pathway to rapid international growth (Bala Subrahmanya, 2007).

The internationalization of family firms most frequently follows the gradual process described by the Uppsala model (Lohe et al., 2021). However, in recent years, an increasing number of family firms have exhibited 'born global' characteristics, a trend largely driven by the presence of more highly educated next-generation leaders and the growing naturalness of global market participation (Mikesy, 2013). In both cases, the knowledge of the leaders and the organizations they manage plays a critical role—particularly in terms of knowledge transfer within networks or franchise systems (Gorovaia & Windsperger, 2010; Gulanowski et al., 2018).

The role of networks in the internationalization of family firms has emerged as a particularly salient area of inquiry over the past two decades. Within this research stream, three key subfields have been identified: (1) the role of networks and relationships in the internationalization of family firms, (2) the antecedents influencing network formation, and (3) the strategic and managerial aspects of building and maintaining network ties (Kampouri et al., 2017). The latter is especially important, as family firms are likely to retain—and even strengthen—the network relationships through which their internationalization began (Kampouri & Hajidimitriou, 2023). When such networks include international research and development organizations, they may significantly enhance firm performance through innovation (Singh et al., 2022), similarly to how international entrepreneurial orientation and internet-related technological capabilities are linked (Bianchi et al., 2017). In the context of family firms, this type of innovation is typically driven by three core motives: preservation, continuity, and legacy building (Diaz-Moriana et al., 2020).

#### 1.3.4.2. The Examination of SME Internationalization in the Hungarian Academic Discourse

In an increasingly globalized economy, internationalization represents the sole viable pathway to long-term competitiveness for economic actors (Gelei & Kenesei, 2016). The Hungarian SME sector can be divided into two well-defined segments based on whether

firms operate solely within the domestic market or—primarily as part of a supply chain—produce for or provide services to international markets (Vakhal, 2020). However, a sustained absence from internationalization may jeopardize the long-term survival of SMEs, as the transformation of the local business environment leads to the emergence of international competitors in the domestic market as well. Consequently, SMEs cannot avoid international competition *de facto*, even if they remain domestically oriented (Andrási et al., 2009).

International presence places firms under constant innovation pressure, thereby encouraging a greater openness toward the integration of new technologies into their operations (Szanyi-Gyenes, 2024; Szanyi-Gyenes & Almási, 2023). This relationship has been the subject of numerous scholarly articles by Hungarian authors, offering a diverse range of approaches and mappings. The 2016 study by Gelei and Kenesei investigates the impact of the internationalization of focal firms within business networks on product and process innovation. Their findings demonstrate, among other insights, that internationalization of the focal firm exerts a particularly positive influence on the relationship between committed interorganizational ties and innovation—especially in the case of radical process innovation (Gelei & Kenesei, 2016). Even when small and medium-sized enterprises are examined independently—rather than as members of a network—a positive relationship can be observed between export activity and various forms of innovation (Szennay & Csákné Filep, 2024). At the same time, SMEs that limit their operations to the domestic market tend to exhibit lower levels of innovation activity and engage in fewer strategic development initiatives (Szanyi-Gyenes, 2024). The effectiveness of innovation is also strongly influenced by the professionalization of the firm. In this regard, Wieszt (2023) identifies eight dimensions in her practical recommendations that contribute to the process of professionalization (Wieszt, 2023).

Several studies have explored how Hungarian SMEs enter international markets. It is important to highlight that small and medium-sized enterprises differ from large corporations in numerous respects—including the process of internationalization. As a result, corporate models developed for large firms cannot be applied to SMEs without significant adaptation or transformation (Antalóczy & Sass, 2011). In addition, the historical background creates a unique Central and Eastern European context, which limits the direct applicability of Western European, American, or East Asian models. Due to the communist regime established shortly after World War II and lasting until its collapse in Hungary in 1990, there was no opportunity to establish or operate family businesses during that period. In the decade following the

political transition, the internationalization of the Hungarian SME sector was primarily characterized by a gradual, step-by-step progression in line with the Uppsala model. In the early 2000s, the time required to reach each stage of this process began to shorten, and a new vision increasingly emerged among a younger generation of founders and executives—one that included the ambition for global market presence from the very outset, reflecting the 'born global' orientation (Mikešy, 2013). Based on the work of Huszák, Hungarian SMEs engaging in international activities can be classified into three broad categories:

1. “Those who set out to the ocean in a small boat” – firms that follow a gradual internationalization path, most closely aligned with the Uppsala model;
2. “Those who join the chain” – firms that internationalize through network connections and integration into global value chains;
3. The “starry-eyed born globals” – enterprises that are internationally oriented from inception or begin internationalizing very early in their development (Huszák, 2021).

In addition to the above classifications, several studies distinguish a separate category of so-called “gazelles” — firms that experience sudden and highly intensive growth, thereby making a substantial contribution to economic expansion and export performance (Békés & Muraközy, 2011).

Regardless of the specific pathway or model through which internationalization occurs, certain critical success factors and motivating elements can be consistently identified as prerequisites for effective international expansion. At the same time, the literature also highlights a set of barriers and constraints that may hinder this process. These factors can be divided into internal and external components.

Among the internal factors, knowledge of the target market and proficiency in the relevant foreign language are essential. Equally important is the establishment of supportive organizational processes and an appropriate incentive system (Sipos et al., 2024). The development of internal processes requires radically new and innovative solutions (Gelei & Kenesei, 2016). The personal network of founders and executives also plays a crucial role, particularly during the initial stages of market entry and sales development. In most cases,

these connections stem from prior professional or work-related relationships, personal experience, or university affiliations (Kozma & Sass, 2019). Given the significance of their role, it is essential that founders and executives continuously develop their skills and expand their knowledge base (Czakó & Könczöl, 2014). In addition, it is important to enhance capacity utilization, leverage existing market knowledge, and exploit opportunities for economies of scale (Németh, 2020b). Particular emphasis is placed, on the one hand, on the role of strategic planning in creating the cultural and structural conditions necessary for growth, as well as in achieving and enhancing price flexibility and product diversification through marketing and production strategies; and on the other hand, on organizational learning and the professionalization of the firm (Németh, 2020a).

As external incentives, factors such as the limited and saturated nature of the domestic market, the prospect of faster growth and higher profitability offered by larger international markets, decreasing transportation costs, improved access to advantageous resources, potential economic policy incentives, possible exchange rate gains, and the pull effect of existing or potential business partners may all play a role (Antalóczy & Sass, 2011; Németh, 2020b).

The absence of internationalization is most commonly attributed to a lack of ambition, the nature of the firm's activities, or deficiencies in resources or knowledge (Szanyi-Gyenes & Almási, 2023), conversely, barriers may also arise in the form of difficulties in finding foreign partners and the absence of personal networks (Antalóczy & Sass, 2011; Endródi-Kovács & Nagy, 2022). Another inhibiting factor is the lack of exportability or competitiveness of the product or service offered—or the managerial belief that such limitations exist (Huszák, 2021), as well as an unfavorable international regulatory environment (Németh, 2020b).

As a consequence of these factors, only one-fifth of Hungarian SMEs are engaged in export activities, and the number of firms entering foreign markets remains low. Moreover, SMEs account for only one-quarter of the total export revenues generated by domestic enterprises (Huszák, 2021; Losoncz et al., 2020).

With the findings of my research, I aim to contribute to the body of knowledge related both to the relationship between internationalization and innovation (Chapter 2), and to the understanding of the factors influencing internationalization (Chapter 4).

### 1.3.5 Underexplored and Debated Domains

Naturally, the nuanced concepts outlined above have numerous aspects that remain either underexplored or are subject to ongoing scholarly debate.

A classic point of contention concerns the delineation of their conceptual boundaries (Gómez-Mejía et al., 2007; Gu et al., 2019; Le Breton-Miller et al., 2015) and the dimensions and criteria used for their measurement—both in the case of socioemotional wealth (Berrone et al., 2012a; Debicki et al., 2016; Hauck et al., 2016; Reina et al., 2023) and entrepreneurial orientation (Covin & Slevin, 1989; Le Breton-Miller & Miller, 2023a; Lortie et al., 2021; Lumpkin & Dess, 1996; Miller, 1983; Zellweger et al., 2012).

Divergences are also evident in how the SEW–EO relationship is interpreted. While some scholars argue that SEW constrains EO (Chandler et al., 2016; Helvert & Nordqvist, 2018; Kumar & Dubey, 2022; Zahra, 2018), others have found evidence to the contrary (Garcés-Galdeano et al., 2016; Hernández-Linares & López-Fernández, 2018; Le Breton-Miller et al., 2015; Ramírez-Solís et al., 2024; Rodrigues et al., 2022; Singh et al., 2022; Szabó, 2023, 2025). The discourse surrounding SEW has been further enriched by recent studies that conceptualize it not as a static construct but as one with a dynamically evolving set of values (Mosolygó-Kiss et al., 2022), shifting across different stages of the firm’s lifecycle. Furthermore, future research directions may be shaped by a deeper examination of specific factors included in Reina’s SEW model, such as the influence of non-employed family members on decision-making or the relational dynamics among internal stakeholder groups (Reina et al., 2023).

Differences also emerge with regard to the internationalization models most typical of family firms. Some researchers argue that the process largely follows the Uppsala model (Pukall & Calabrò, 2014), whereas others highlight the growing prevalence of the born global approach (Kontinen & Ojala, 2012), attributing this trend to the openness and educational background of younger generations of founders, both in terms of business acumen and language skills (Mikesy, 2013). Beyond these perspectives, the role of networks in internationalization is gaining prominence—network membership itself may serve as a catalyst for a family firm’s international expansion (Johanson & Vahlne, 2009). Understanding this relationship, as well as the impact of internationalization on SEW through the integration of international experience into business operations, constitutes two key areas warranting scholarly attention.

Another compelling line of inquiry involves exploring the entry modes family firms typically adopt when expanding into international markets—whether through greenfield investment or acquisition of an existing company (Boellis et al., 2016; Lyons et al., 2024; Metsola et al., 2020)—and how these strategic choices relate to SEW (Calabrò et al., 2024).

Finally, notable differences appear in the internationalization of family firms depending on whether the leadership is family or non-family, assuming that family ownership is present in both cases (Alessandri et al., 2018; Zahra, 2003). However, further empirical clarification on this matter remains necessary.

#### 1.4 Limitations and research questions

The literature examining the operational mechanisms of family businesses represents a relatively new branch within the expansive canopy of management science, yet its emerging shoots are already sufficiently robust to be interpreted as an independent discipline. Despite this, it was often necessary—particularly during the execution of quantitative research—to venture onto uncharted paths, since existing and widely recognized theories frequently offer only limited guidance regarding the measurement and operationalization of variables.

Given that my dissertation is article-based, research gaps emerged separately within each article (and occasionally, problems identified in one article could be addressed in another). Consequently, the research questions addressed in each article reflected the existing state of knowledge at the time of their formulation, highlighting gaps in understanding. As the articles and corresponding dissertation chapters were not composed simultaneously, certain gaps identified earlier might have since been comprehensively addressed. Indeed, the expanding body of family business literature may now overshadow these earlier shortcomings while simultaneously illuminating new challenges.

The relevance of Chapter 2 of my dissertation, therefore, does not stem from the novelty of exploring the relationship between the internationalization and innovation of family firms, as numerous studies already exist on this topic (Alos-Simo et al., 2023; Cerrato & Piva, 2012; Freixanet et al., 2020; Freixanet & Federo, 2022; Goel & Jones, 2016; Islam et al., 2022; Ratten & Tajeddini, 2017). These studies primarily highlight the necessity of more targeted, focused, and detail-oriented research to further understand the relationship between internationalization and innovation. Following these recommendations, it appeared

essential to identify which specific sub-areas researchers consider sufficiently significant for deeper analysis.

A group of scholars concentrates on differences between family and non-family firms (Braga et al., 2017; Lohe et al., 2021; Ratten & Tajeddini, 2017), while others emphasize learning processes associated with export activities (Freixanet & Federo, 2022; Handoyo & Nirbito, 2021), or underscore the significance of entrepreneurial orientation (Denicolai et al., 2015; Hadryś-Nowak, 2018; Meneses et al., 2014; Modgil et al., 2022; Torkkeli et al., 2022; Yang et al., 2016a).

However, the role of socioemotional wealth (SEW) in relation to the internationalization of family firms remains highly controversial. Some authors firmly assert that socioemotional wealth restricts internationalization intentions within family businesses (Braga et al., 2017; Calabrò et al., 2024; Lohe et al., 2021; Pukall & Calabrò, 2014), while others nuance or challenge this assertion (Alessandri et al., 2018; Metsola et al., 2020; Zahra, 2003). Additionally, my practical experiences have prompted me to reconsider the nature of the relationship between socioemotional wealth and entrepreneurial orientation, as well as to gain deeper insights into how socioemotional wealth relates to family firms' internationalization processes.

Consequently, the core research question guiding my dissertation is: How does socioemotional wealth influence the internationalization of family firms? Given the complexity of this overarching question, it proved beneficial to subdivide it into more focused parts. These include investigating whether entrepreneurial orientation—traditionally portrayed in the literature as constrained by SEW—is genuinely irreconcilable with socioemotional wealth and its FIBER-scale dimensions (Article 1); exploring the detailed interconnections between the five dimensions of entrepreneurial orientation and the five FIBER dimensions of socioemotional wealth, as well as determining whether additional moderating factors influence these relationships (Article 2); and finally, examining whether differences in socioemotional wealth values, as defined by the FIBER scale, are observable according to the depth of family firms' internationalization, and how these differences may be typified into distinct clusters among respondent enterprises (Article 3).

By answering the above research questions, we gain substantially deeper insights into the relationship between socioemotional wealth and entrepreneurial orientation. A key contribution to this understanding lies in identifying, at the dimensional level, whether the effects are positive or negative and how these aggregate into an overall impact. This allows

us to specify which elements of entrepreneurial orientation influence firm performance through the mediating role of socioemotional wealth.

Exploring the link between the depth of internationalization and SEW further enables us to identify the key areas that exert the greatest influence on the success of family firms entering international markets, as well as to indicate which dimensions require adjustment in order to achieve successful internationalization. In addition, we are able to determine whether there are family firms that differ markedly in terms of their SEW value profiles, whether these differences can be organized according to a meaningful classification principle, and how such categories are associated with the depth of internationalization.

### 1.5 Research concept

The studies presented in Chapters 2, 3, and 4 provide detailed descriptions of the specific methodologies applied in their development. Therefore, in this section, I intend only to clarify the overarching conceptual framework that forms the structural foundation of the dissertation, guiding both the development and integration of its constituent parts. Beyond outlining the logic of the dissertation, I also wish to briefly introduce the foundations of the research methodology, providing readers with an initial understanding of the structure of the dissertation prior to the detailed explanations contained in each article. Table 1 offers a systematic summary of these aspects.

# Research concept

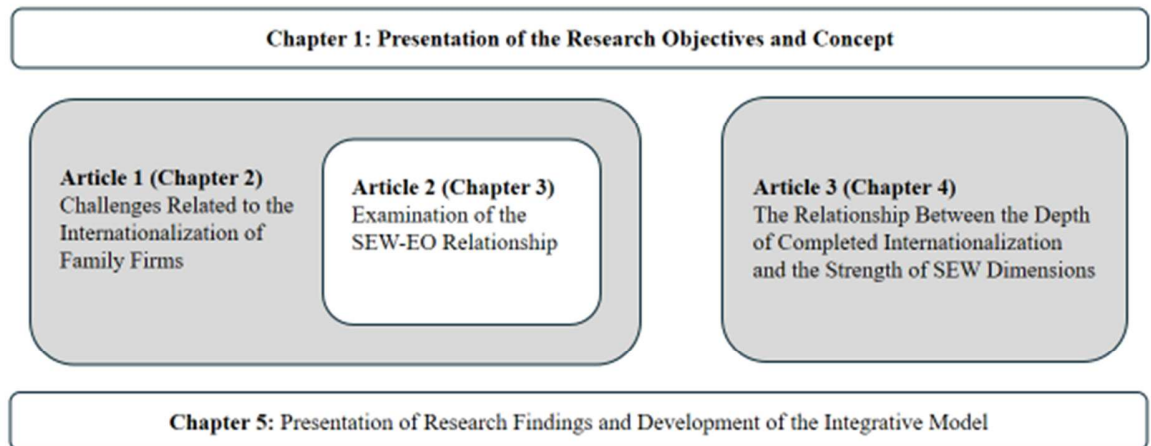


Figure 4: Structure of the Research (Own Compilation)

During the examination of family firms' internationalization in connection with innovation (Chapter 2), it became evident that the relationship between socioemotional wealth (SEW) and entrepreneurial orientation (EO) also plays a key role, although the existing literature presents an ambivalent assessment of this relationship.

The second article (Chapter 3) was therefore developed to thoroughly explore this contradictory relationship, comparing theoretical assertions and international research findings with practical experiences, ultimately proposing a solution to reconcile these two factors.

The third article (Chapter 4) analyzes current SEW dimensions within family firms that have already undergone internationalization, investigating whether these dimensions correlate with the depth of internationalization and the degree of international commitment.

**RESEARCH FRAMEWORK**      **1ST ARTICLE**      **2ND ARTICLE**      **3RD ARTICLE**

<b>RESEARCH GAP</b>	The Relationship Between the Internationalization of Family Firms and Innovation	Factors Influencing the Internationalization of Family Firms, Examination of Socioemotional Wealth and Entrepreneurial Orientation, and the Reinterpretation of Their Relationship	The Relationship Between the Degree of Internationalization in Family Firms and the Values of Socioemotional Wealth Dimensions Based on the FIBER Scale
<b>RESEARCH QUESTIONS/ HYPOTHESIS</b>	Can the emergence of an entrepreneurial orientation support the socio-emotional wealth and well-being of family firms, thus providing opportunities for further development of the family firms?	1.a How does the article define the concept of SEW? 1.b How does the article define the concept of EO? 2. According to the article, what is the relationship between the individual dimensions of SEW and those of EO?	Can differences be identified in the FIBER-scale dimension values of family firms at different levels of internationalization?
<b>RESEARCH METHOD</b>	literature review, case study (Miles & Hubermann, 1994)	systematic literature review (Webster & Watson, 2002)	Shapiro-Wilk test Kruskal-Wallis test Clustering Using Ward's Method ANOVA Mann-Whitbey test

<p><b>SAMPLE</b></p>	<p>SCOPUS, n=39</p>	<p>Google Scholar, Science Direct, Snowball-method, n=69</p>	<p>Assessment of the Professionalization Level of Domestic Privately Owned Enterprises (Corvinus University of Budapest, Corvinus Center of Family Business), n=117</p>
----------------------	---------------------	--	---

Table 2: Summary of the Research Concept of the Dissertation (Own Compilation)

### 1.5.1 Research method

In the following subsections, I present the three research methods employed to formulate answers to the research questions and hypotheses posed during my investigation. Additionally, I indicate which of the methodological approaches discussed served as guiding frameworks for each respective article.

#### 1.5.1.1. Literature review

While preparing each of the three articles included in this dissertation, I conducted literature reviews, given that each chapter examines related yet distinct research problems. Thus, achieving the primary goal of literature reviews—identifying and evaluating key findings and research questions relevant to each topic—was essential (Cronin, 2011).

The second article presents a systematic literature review, which demands adherence to predefined procedures to ensure transparent and replicable research (Pistrui & Harnat, 2022; Tranfield et al., 2003), and aims to clearly outline a segment of a research field through specific research questions, synthesizing its context (Hart, 2018). When preparing this systematic review, I followed a five-step protocol (Webster & Watson, 2002). First, (1) relevant articles were identified through keyword searches using Google Scholar and Science Direct databases, supplemented by a snowballing method to broaden the scope of selected works. This step was followed by (2) structuring the review, then (3) theory development

based on the gathered information, subsequently (4) theory evaluation, and finally (5) drawing conclusions.

The literature review conducted in the first article was based on a sample of 39 sources, while the systematic literature review in the second article encompassed 69 studies.

The purpose of the literature review in the first article was to identify key thematic areas addressed by authors examining the relationship between internationalization and innovation in family businesses. The second article aimed to categorize the results of studies exploring the relationship between socioemotional wealth and entrepreneurial orientation within family firms, according to differing perspectives on this relationship. In the third article, the literature review served to introduce key approaches regarding the three central concepts of the study and to summarize the most significant findings from research examining the relationship between internationalization and socioemotional wealth.

#### 1.5.1.2. Case study

In the first article, I selected two illustrative cases, and in the second article, an additional third case, to metaphorically demonstrate the concepts intended to be conveyed through the developed models. In choosing these cases, I applied the principle of maximum variation (Miles & Huberman, 1994), intentionally selecting examples as distant as possible from the specific topics discussed in each article. Paradoxically, precisely because of this deliberate contrast, these cases proved especially suitable for conveying the intended message effectively. Metaphors facilitate the visualization of problems; when inventive and unique, they can concisely encapsulate and enrich the complexity of the described phenomenon (Horváth & Mitev, 2015). In this way, diverse cases—such as those involving Philip II and Alexander the Great of Macedonia, a medium-sized Hungarian beauty industry firm, the iconic American television series referenced in the title of the second article, or the antique allegorical narrative employed in the concluding chapter—became integral components of my dissertation.

It is essential to emphasize here that the parallels drawn through these metaphors do not serve to validate the research-generated models. Rather, their sole purpose is to communicate the research findings in a more vivid, illustrative, and, in my intention, more easily comprehensible manner.

### 1.5.1.3. Quantitative analyses

The third article primarily employs a quantitative research methodology. Its research question investigates the relationship between the degree of internationalization in family firms and the various dimensions of socioemotional wealth (SEW). The answers are derived from a questionnaire survey, which initially included 145 responses but was reduced to 117 after necessary filtering. This survey was conducted in 2024 by the Corvinus Center of Family Business at Corvinus University of Budapest in collaboration with the Grémium az Utódlásért Egyesület and Opten, under the title Assessment of the Professionalization Level of Domestic Privately Owned Enterprises.

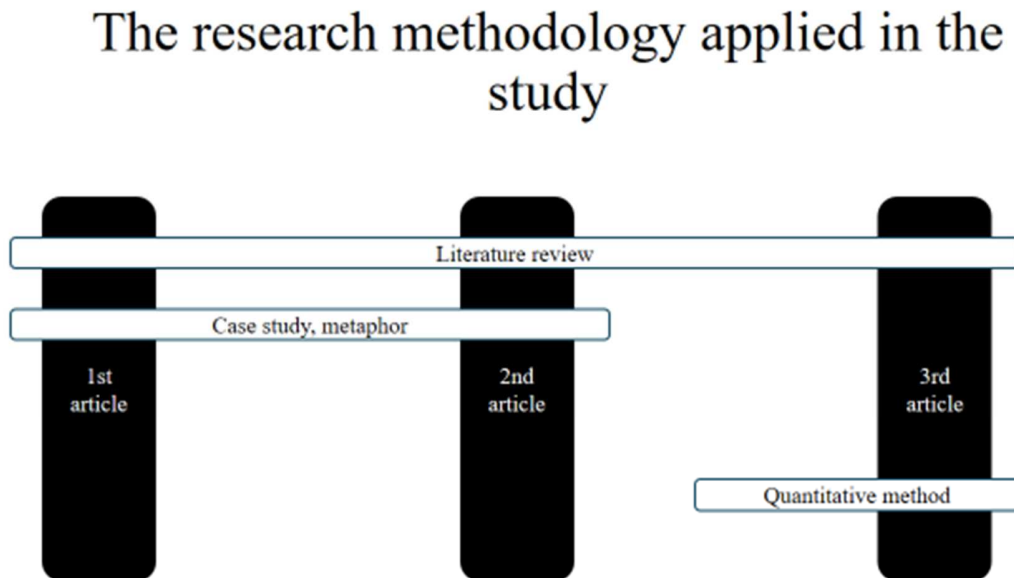


Figure 5: Research Methodology Applied in the Study (Own Compilation)

To address the research question, the first step involved structuring the questionnaire-based measurement of SEW dimensions according to the FIBER scale. Following this, responses to the survey question assessing the depth of internationalization had to be restructured, as the questionnaire allowed multiple responses, resulting in complex answer structures. This restructuring enabled the classification of firms into three categories, facilitating quantitative analysis.

The normality of SEW dimensions across different levels of international presence was first tested using the Shapiro-Wilk test. Subsequently, the Kruskal-Wallis test was applied to determine significant differences between internationalization groups, revealing a strong differentiation in the Family Influence and Control dimension and a weaker but noticeable variation in the Emotional Attachment dimension.

Following this, hierarchical clustering was performed based on SEW dimensions using Ward's method, and the identified clusters were further analyzed using cross-tabulation to examine their relationship with internationalization levels.

Finally, ANOVA was used to analyze the age of the firms within the internationalization groups. The Mann-Whitney test was then applied to assess whether generational transition resulted in significant differences in the various dimensions of socioemotional wealth.

## **2. SZABÓ, GM: FAMILY FIRMS IN THE MAELSTORM OF INTERNATIONAL MARKET ENTRY AND INNOVATION – CAN SOCIO-EMOTIONAL WEALTH (SEW) AND ENTREPRENEURIAL ORIENTATION (EO) BE RECONCILED?**

### 2.1 Abstract

In my work I examine the relationship between the internationalisation of family firms and innovation. After the review of the relevant literature, I group together the narrow research topics addressed by the authors I have examined, which largely confirm the positive relationship between the two categories under study. Moreover, I demonstrate a theoretical framework which, according to the literature, can be implemented to put socio-emotional welfare and entrepreneurial orientation, which are restraining the internationalisation of family firms, on a common path, so that they can contribute to enhancing the innovative and international performance of family firms, not against each other but in support of each other.

**Keywords:** family business, innovation, internationalization, socio-emotional wealth, entrepreneurial orientation

### 2.2 Introduction

Family firms are a dominant part of the economy both nationally and internationally in terms of the output they generate and the number of employees they employ (Kárpáti, 2021; Wieszt & Vajda, 2020), yet their operations are specific in many respects and their decision-making mechanisms are different from those of non-family firms (Kárpáti & Drótos, 2023). Although their activities and areas of operation are very diverse, there are some characteristics that are true for all of them. These include a long-term approach, which seeks to ensure business continuity and the possibility of intergenerational transmission (Wieszt, Martos, et al., 2021), and risk aversion (Ratten & Tajeddini, 2017; Singh & Kota, 2017), which is precisely what they seek to achieve. Their decisions are also influenced by a number of factors that are not based on economic rationality. For instance socio-emotional

wealth that largely differentiates family firms from non-family firms (Lin & Wang, 2021). However, in addition to its beneficial effects, these emotional aspects also constrain them and keep them from taking advantage of higher-risk opportunities that promise to be financially enriching relative to existing performance (Lohe et al., 2021). Socio-Economic Wealth (SEW) as an influencing factor is of course only one side of the coin, as organisations that are rather Janus-faced in this respect tend to be less formalised and significantly more flexible and resilient than non-family firms. These characteristics are precisely conducive to the so-called entrepreneurial orientation (EO) and innovation, which many researchers have found to influence the internationalisation of the firm (Denicolai et al., 2015; Modgil et al., 2022; Ratten & Tajeddini, 2017).

The aim of my research is to find a balance in this two-way situation, a path along which family firms do not have to give up any of their specific characteristics or capabilities, but can channel them in one direction to enhance their effectiveness and thus the long-term sustainability of their operations. This way innovation and internationalisation are not a threat but an opportunity for development in enhancing the strength of family firms, reinforcing and transmitting their values and ensuring their long-term sustainability.

My research question is: "Can the emergence of an entrepreneurial orientation support the socio-emotional wealth and well-being of family firms, thus providing opportunities for further development of the family firms?"

In order to answer this question, I will present the relationship between innovation and internationalisation, its nature and the additional factors that these articles identify and the criteria according to which they are analysed, based on articles extracted in the manner indicated in the research methodology. I will then attempt to construct a model that allows SEW and entrepreneurial orientation to be channelled in the service of corporate interests in such a way that one does not cancel out but supports and reinforces the other. This is particularly interesting if we take the theory of dynamic capabilities as our theoretical basis (Teece et al., 1997). According to this view, dynamic capabilities are those modifiable, renewable, often multifunctional corporate competences that ensure adaptation to an unpredictably turbulent changing environment by creating new combinations of resources. Dynamic capabilities thus explicitly enable the exploitation, adaptation, integration and reconfiguration of other corporate resources and competences (e.g. management tools, organisational and strategic routines, standardised processes) (Balaton et al., 2016). Throughout the chapter, I demonstrate the relationship between SEW and EO through two

case studies. Finally, I summarise the results of this work and discuss the limitations of the research and the scope for further research.

### 2.3 Research method

As a first step, the paper defines the concepts of family firms, innovation and internationalisation, and presents the most relevant theoretical approaches for further reading.

Then, in the context of a literature review, it examines the relationship between internationalisation and innovation, the nature and nature of the relationship between the two concepts, and whether or not, according to the authors examined, a link can be established. In addition, the role of the entrepreneurial orientation (EO) in all this.

The articles under study were selected by searching Scopus with the following search criteria:

```
( TITLE-ABS-KEY ( internationali* OR fdi OR "foreign direct investment*" ) ) AND  
( TITLE-ABS-KEY ( innovati* ) ) AND ( TITLE-ABS-KEY ( "family business*" OR  
"family firm*" OR "small business*" OR "family enterprise*" ) ) AND ( "entrepreneurial  
orientation" ) AND ( LIMIT-TO ( SUBJAREA , "BUSI" ) OR LIMIT-TO ( SUBJAREA ,  
"ECON" ) OR LIMIT-TO ( SUBJAREA , "SOCI" ) ) AND ( LIMIT-TO ( LANGUAGE ,  
"English" ) )
```

I received 39 papers, that I processed and divided into 4 large groups according to their topic:

1. The relationship between Internationalisation and Innovation - papers that examine the relationship between the two variables and their impact on each other from different perspectives.
2. Comparing family firms and non-family firms, or family management and non-family management - these papers mainly describe the differences between family and non-family in the context of internationalisation and innovation.
3. Other papers not related to the above collection categories but relevant to my work.
4. Works excluded from the analysis - either because they were not relevant in terms of content or because their nature was not valuable from the thesis point of view of the thesis (e.g. summaries, recommendations, case studies to be solved).

After grouping, the following result was obtained:

<b>Group</b>	<b>Number of items</b>
<b>1. Link between internationalisation and innovation</b>	17 items
<b>2. Family vs. non-family firms</b>	8 items
<b>3. Other</b>	7 items
<b>4. Excluded jobs</b>	7 items

Table 1 - Analysis of the articles examined, by subject and usefulness (own compilation)

Where possible, their content has been refined by further subcategorizing them by topic for ease of reference, but in the case of several papers, their findings are not simply placed in a subcategory.

Based on the picture emerging from the above, I attempted to create a theoretical framework that can resolve the contradiction formulated in the introduction, and I will explain its structure through two case studies, which I have chosen based on the study by Miles and Huberman (Miles & Huberman, 1994). In this study in which they describe, among other things, that when choosing case studies, one should aim for the principle of maximum diversity, that can help identify common patterns; it is worth choosing very unusual cases, as it helps understanding due to the unexpected context; and that the case studies chosen this way provide an opportunity for logical generalisation and for identifying examples of the theoretical model. It is also suggested that the cases should have both confirming and disconfirming examples, i.e. they should not only be able to prove the theory put forward if it is implemented, but also to show the negative effects of the model if its elements are not fulfilled. I will then justify and conclude the work by summarising the results of the paper and the limitations of the research.

## 2.4 Conceptual definitions

### 2.4.1 Family firms

There is no universally accepted, definitive definition of the organisations we have studied, so in the following I will list only those criteria that appear in most places and

analyses that come close to describing the family firm (Astrachan et al., 2002; Handler, 1989). A family business is defined as a firm controlled by one or more families with one or more controlling or at least an equity stake (Csákné Filep, 2012). When the top managers of a firm are from the same family, they are expected to share the same traditions, social values, common vision and practical priorities. Loyalty is an important component among different types of top managers and is an invaluable intangible asset (Meneses et al., 2014), which usually includes long-term thinking, guaranteeing the operational sustainability of the firm (Wiesz, Martos, et al., 2021), responsibility towards successors, and therefore a sense of progress, risk aversion and conservative management (Ratten & Tajeddini, 2017; Singh & Kota, 2017). For family managers, it is important to maintain control within the family, so they are reluctant to allow non-family managers into top management. This is one of the most significant differences with non-family firms, namely that family firms take a number of non-economic factors into account in their decision-making (Lin & Wang, 2021).

#### 2.4.2 Socio-emotional wealth (SEW)

SEW is one of the most dynamic new areas of family business research. Its object of study is complex, a combination of family control, influence and identity (Gómez-Mejía et al., 2007), but in a broader sense it is everything that cannot be defined in economic terms, or in other words, that cannot be explained in economic terms: family values, the intimate culture of the family business, long-term commitment, the intention of dynastic succession, the key role of sustainability (Zellweger & Astrachan, 2008). According to Cruz (2012) (Cruz & Nordqvist, 2012), SEW can also have an impact on corporate performance, and Berrone (2012) (Berrone et al., 2012a) describes complex behavioural characteristics and creates the FIBER scale, thus providing a measure of the socio-emotional wealth of firms. Its five measurement domains are as follows:

<b>Categories of the FIBER scale</b>	<b>Explanation</b>
1. family control and influence	It primarily involves control over strategic decisions by the original founder or a dominant family coalition. As a consequence, family firms are more

	likely to remain under the direct or indirect control of the owners, regardless of financial considerations
2. identification of the family members with the firm	or otherwise the identification of family members with the firm, an interpretation that differs in part from the definition of family corporate identity. But the term used in the model suggests that the external and internal stakeholders in the firm's operations are seen as an extension of the family, which has implications for the treatment of employees, the quality of products and services, and the corporate image they convey.
3. social ties	A reciprocal bond within the family, not only between family members, but also extending to old suppliers and customers, thus fostering loyalty and stability (e.g. a financial service provider is not necessarily chosen on the basis of the remuneration or quality of the services it offers, but on the basis of recommendations or their network of contacts)
4. emotional attachment	It refers to a non-static state and the role of emotions in the context of the family business. As the boundaries between the family and the company become blurred, emotions influence the decision-making mechanism of the family firm.
5. the renewal of the family link to the firm through dynastic succession	Family members see the company as a long-term investment to be passed on to future generations. The result is a transgenerational approach to sustainability and "patient capital".

Table 2 – The FIBER scale and its categories (own table after Berrone (2012) (Berrone et al., 2012a))

After examining his model, Hauck (2016) (Hauck et al., 2016) proposes a simplified scale (the REI scale), which looks at aspects such as intergenerational vision and dynastic ownership, family retention, the retention and transmission of traditions and values within

the family, the close emotional ties between family members and the close relationship between family and business, security and its impact on identity.

Both scales allow very similar areas to be observed, the latter author having proposed a simplification, while retaining the aspects he considers most relevant, due to the large amount of data and the difficulty of accessing them. For example, the role of family corporate identity is also transformed in his model, and is reduced, in line with the results of Wieszt (2020) (Wieszt, 2020), who found that the effect of family corporate identity on performance is not detectable, and that good performance does not affect or reinforce identity. However, it links identity to the transgenerational perspective of the family.

#### 2.4.3 Innovation

Innovation is the ability to meet new, higher quality consumer needs (Chikán Attila, 2008), but innovation can be expressed in processes, organisational solutions or even marketing solutions in addition to better products and services (Czakó & Reszegi, 2010), so we distinguish between the product and the process innovation. The main objective of family businesses is to ensure intergenerational business continuity, the innovation becomes very important to survive, grow and remain competitive. Therefore, the integration of local markets with global markets and the continuous pursuit of sustainable growth drives family firms to innovate (Aronoff, 1998; Naldi et al., 2007; Zahra, 2018). Smaller family firms tend to be more flexible and use innovation as a differentiating strategy (McGrath, 2001), which can also be a growth and hence survival strategy. In internationalising companies, the location and implementation of innovation, in other words the R&D department, in the organisation may also be (1) *geocentric centralised*, combining the strengths of the centralised model with the multicultural nature of the R&D organisation; (2) *ethnocentric centralised*, where R&D is carried out exclusively in the home country; (3) *polycentric decentralised*, characterised mainly by companies with a strong focus on regional market needs; (4) *network*, where the home country research centre is only one of a number of research centres throughout the organisation, not coordinated but linked through various collaborations; (5) *a 'hub' model*, where the R&D centre is the leader in all R&D activities, with foreign laboratories covering only a few well-defined areas (Czakó & Reszegi, 2010).

Many researchers agree that family firms that innovate more are significantly more profitable (McCann & Acs, 2011).

#### 2.4.4 Internationalisation

The literature on internationalisation and the models that deal with it can be broadly divided into two broad categories, according to whether their authors are looking for answers to the question (I) why these firms internationalise or (II) how they do so, in other words approaches that focus on the motives and drivers of internationalisation and models that examine how it takes place (Incze, 2010). The first big circle can be further broken down into, among others, the (I./1) market power approach, pioneered by Hymer, who writes in his work that a company entering an international market or markets must necessarily possess some unique, exclusive value that can offset the costs of foreign entry (Hymer, 1977), and Vernon, who identifies different internationalising motivations and drivers, and the associated directions and choices, at different stages of the product life cycle (Vernon, 1966). These include the transaction costs or internalisation models (I./2), which justify the existence of international firms by explaining their creation by the fact that they can carry out their activities more economically by keeping as much of them within the firm as possible rather than by conducting them through external market transactions (Buckley & Casson, 1976; Hennart, 2001; Rugman, 1980). Thirdly, the approach of the eclectic paradigm (I./3), also known as the OLI paradigm, in which the author attempts to develop a successful synthesis of three previous approaches (ownership-specific advantages, location-specific advantages, internalization advantages) (Dunning, 1980b). Finally, the knowledge-based approach (I./4), according to which the most important success factors in international competition are to be found in the basic capabilities of firms (Prahalad & Hamel, 2006). The second group (which I will nuance in some details, as the two models that fall into this category are the two most commonly used in the articles under review) includes the (II./1), which assumes that the internationalisation of firms takes place in the context of, or in parallel with, a learning process, and concludes that the more experience firms gain in this respect, the more confident they will be in moving outside their national markets and the more capital they will be able to deploy there. They tend to look at internationalisation in stages, which may include becoming a supplier to an international firm, continuing and sustained importing, then exporting and finally foreign direct investment. Some theories identify exporting as the first step, others point to the interchangeability of the steps, even if the process is inward rather than outward. However this group also includes the born global

theory (II./2), which highlights the shortcomings of process models, namely that there are firms that operate globally, or at least internationally, from the moment they are founded, or that exit to foreign markets within a year of their creation. An interesting addition to the category is the BAG phenomenon (Born Again Global), which refers to a segment of firms that first stabilise their position in their national market but then are quickly swept into international waters by a sudden shock. Then, after a while, they scale down their international activities and suddenly a very rapid process of internationalisation is triggered, which means an international rebirth. The above shock may be a change of ownership, an acquisition of a firm with international links, or an acquisition by an international firm, or a change of technology. Proponents of the (II/3) business network model assume that companies operate as members of formal and informal networks and that companies with international elements in their network are more likely to internationalise. This applies not only to their formal networks but also to their personal relationships. The authors of the holistic models (II./4) take the diversity of SMEs as their starting point and focus on their motivations and entrepreneurial spirit.

Perhaps the best-known theory of category II/1 is the Uppsala or IPM model, which is also a description of the most common internationalisation process affecting family firms (Pukall & Calabrò, 2014). The Internationalization Process Model defines four steps, starting from ad hoc export activity, through the use of intermediaries or commercial agents and the establishment of an independent distribution network, to the creation of local production capacity, in other words foreign capital investment (Johanson & Vahlne, 1977). The authors identified and then studied two mechanisms that influence the internationalization process of a firm. On the one hand, they found that internationalising firms continuously increase their knowledge through internationalisation and use the knowledge acquired to improve their organisational functioning. On the other hand, it was also found that the managers of the firms studied were able and willing to change their level of internationalisation over time in order to strengthen their own position. The authors have continued to develop their study and updated it by 2009 (Johanson & Vahlne, 2009): they see business networks as a kind of market structure in which the internationalising firm is embedded, and the process of internationalisation should be seen as the result of actions to strengthen the network position. However, the internationalisation of family firms is different from that of non-family firms, as many researchers point out that they are risk-averse by nature, and their decisions are driven by long-term thinking and sustainability, as well as by a number of non-economic

considerations. There is a broad consensus that high levels of family ownership (especially first generation) are a barrier to internationalisation. This calls for a specific approach, including family business aspects. Lohe, Calabró and Torchia et al. (2021) (Lohe et al., 2021) use an earlier (Patel et al., 2012) model as a baseline when identifying push and pull effects on the internationalisation of family firms. The push factors include strategic incentives (such as (1) access to critical resources at lower costs, achieving synergies with international partners when launching products or services internationally (e.g. (2) competitive forces, such as the formation of alliances with competitors to avoid direct competition or to create synergies; and (3) family needs, such as the contradiction that family control or the retention of family employees sometimes conflicts with financial needs, so that family firms are often forced to choose between SEW (Socio-Emotional Wealth) and financial needs in their decisions.

The pull factors are (1) desirable (attractive) locations (since the firm can benefit from cost advantages in emerging markets and reach new consumers, thus diversifying its risk, and global operations create the need to further expand the organisational structure, thus creating positions that can also be filled by relatives who find it attractive to live and work in the target countries); (2) networks and alliances, i.e. the developing of business relationships with new partners or relatives in the target country, which are rooted in mutual trust or even blood ties and can mitigate threats arising from cultural or legal differences; and (3) pre-emptive positions, which usually exist when a country's markets are opened up and are favourable to first movers because there is no real competition and therefore lower risk.

Then they go on to examine what characteristics of the family firm can be identified as supporting and hindering internalisation. Supportive features include a simple decision-making mechanism, a flexible and adaptable organisation, extra workloads that can be taken on at any time as required, a character that serves the direct interests of shareholders from the first step to the next generation, and a long-term approach both within the company and in business relations. However, the lack of external resources and international experience due to a strong attachment to control, the SEW as a limiting factor in decisions, often in opposition to economic rationality, and the fact that many family businesses reject the uncertainty of entering the international market because of financial-asset security are also limiting characteristics.

The added value of their work, compared to previous model variants, is that they have created a two-dimensional system of supporting and inhibiting characteristics, which

classifies the firms they have studied into three clusters. Then they examined the clusters by risk-taking and added a non-family member's managerial position and process linkage to the system.

An important finding of the authors is the conflict between the socio-emotional wealth guaranteed by the domestic market and the financial development opportunities offered by global markets.

## 2.5 The relationship between innovation and internationalization

A significant number of the articles in the analysis seek to answer two questions: first, whether there is a link between innovation and internationalisation and, second, if there is a link, what its nature is. That this link exists and is detectable is confirmed in the vast majority of cases, starting with the exceptions, which partly explain the lack of a link on the basis of localisation, as in the case of Italian companies, where internationalising family firms are often artisanal manufactures where innovation is not the added value, but, on the contrary, the traditional character (Cerrato & Piva, 2012). Either as in the case of Chinese family firms, where the link is not strong, as internationalisation usually occurs in the early life stage of firms, when the (non-) availability of resources does not yet allow for innovation activity with character (Islam et al., 2022). This differs from the work of Alos-Simo and his co-authors (2023) (Alos-Simo et al., 2023), whose first finding is similar to the theory of the historical fertile crescent, since, as it states, the prehistoric development of production technology does not occur in crescent-shaped regions with favourable production conditions, but in peripheral regions with harsher conditions. The authors also write in their article that, in the case of the almost eight hundred firms studied, it is not from stable, predictable markets but from recessionary, unstable markets that family firms with more successful export performance come in higher proportions. In their work, they examine process and product innovation separately, but while they find that process innovation is more prevalent than product innovation in their sample, they find that neither type of innovation is associated with export performance.

Except for the three papers mentioned above, the papers in this group see a clear and positive link between innovation and internationalisation, with Orr and co-authors (2017) (Orr et al., 2019) finding a clear link between innovation and internationalisation in their paper Antal, Dobák, Vaszkun (2010) (Antal et al., 2010) confirm this relationship, but in an

earlier study they describe innovation as a condition for higher export activity). However, the nature of the innovation is not the same: any type of innovation can lead to different outcomes, as incremental innovation can ensure more deliberate progress and reduce risks, while radical innovation can backfire if it is not well received by the target market. The authors have established a circular model assuming reciprocal relationships between innovation, internationalisation and organisational learning (Freixanet et al., 2020). This relationship is confirmed by Freixanet and Federo (2022) (Freixanet & Federo, 2022) when they suggest complementarity between high process innovation, export speed and high organisational learning capacity, adding that their results suggest that both R&D and employee training can improve it. Ratten and Tajeddini et al. (2017) (Ratten & Tajeddini, 2017) decompose innovation in family firms into two parts: discovery and exploitation. In discovery, the firm explores its potential, acquires new contacts and knowledge, which it then internalises in its operations. Exploitation begins when discovery validates the economics and viability of the opportunity. Goel and Jones (2016) (Goel & Jones, 2016) suggest that this should be directed towards increasing knowledge, skills and technology.

We can further chisel the picture as follows.

### 2.5.1 Entrepreneurial Orientation (EO)

The concept can be defined as a combination of autonomy, innovativeness, risk-taking, proactivity and a well-meaning aggressive competitive spirit (Lumpkin & Dess, 1996). In his study, Hadryś-Nowak (2018) (Hadryś-Nowak, 2018) specifically examines entrepreneurial orientation and its elements, and in his conclusions, he attaches particular importance to proactivity and strategic planning to reduce risks. Ratten and colleagues et al. (2017) (Ratten et al., 2017) argue that in family firms the first entrepreneur is the founder, as he starts the business, but in their view, this entrepreneurial spirit usually declines thereafter due to long-term sustainability and only becomes part of the entrepreneurial strategy again when a new generation enters the firm. EO shows a positive relationship with the internationalisation of family firms (Modgil et al., 2022), but does not influence the outcomes of internationalisation (Torkkeli et al., 2022), it rather has only an indirect effect on internationalisation, supporting its step-by-step unfolding and broadening (Yang et al., 2016a). Denicolai and co-authors et al. (2015) (Denicolai et al., 2015) also put emphasis on the entrepreneur's personality in their study and found that those whose parents had worked

in, or managed family businesses were less risk averse than those who had not, but their findings and experience showed that family businesses that had undergone successful generational change were generally better managed than those managed by the founders (first generation). It is precisely the moment of successful succession that can give the company a new momentum, often resulting in a more innovative spirit, successor proactivity and international vision, which together lead to internationalisation (Meneses et al., 2014). Linked to the above, the presence of a second generation in the family business, the creation of alliances with other firms, and certain intangible resources (in particular product innovation and human resources) all have a positive impact on the degree of internationalisation. The results also indicate that the size and age of family firms are important factors for their international expansion (Fernández-Olmos, 2020).

### 2.5.2 Learning by exporting

Several authors agree that it is not only improvements and an increase in the level of organisational knowledge that can lead a firm to foreign markets, but also the other way round: in particular, firms entering international markets can enrich their knowledge with experience gained there (Learning by exporting - LBE). Handoyo et al. (2021) (Handoyo & Nirbito, 2021) identify product innovation and international market knowledge as critical success factors for a firm's internationalisation, as well as institutional networking, and see the first area as developing organically from the moment a firm starts to cooperate with international partners. Freixanet and co-authors (2021) (Freixanet et al., 2021), however, argue that family firms are more likely to convert new knowledge from exports into product innovation because of their innovation strategies and capabilities, and are more efficient in this endeavour than non-family firms. This diverts the typically limited resources of family firms away from process innovation.

### 2.5.3 Primary target areas for internationalization

As discussed above, the generally accepted thesis is that family firms are essentially risk averse for reasons of long-term sustainability, and this attitude is reflected in their decisions to internationalise and innovate. According to Braga et al (2017) (Braga et al., 2017), family firms innovate in particular when they see it as a means to access new

distribution channels, to enter new markets geographically, or to reduce their production or commercial costs. These factors, both individually and in combination, contribute to the operational risk of companies. This is confirmed by the work of Ratten and Tajeddini et al. (Ratten & Tajeddini, 2017), who add that risk avoidance is not a passive but an active process for family firms, in other words the need to minimise risk leads them to take steps to explore identified opportunities until they are comfortable with the option under consideration (one of the means of doing this is innovation, which thus helps them, albeit indirectly, to enter international markets). If they then decide to expand their area of operation, they often do so towards markets that are considered safer. The term 'psychic distance' (Graves & Thomas, 2008) is used to refer to markets that are closest to the firm's own market, irrespective of geographical distance, primarily in linguistic-cultural or legal terms. In other words, it refers to *"factors that impede the flow of information between the firm and the target market, such as differences in industrial development, educational standards, political systems, corporate practices and national cultures. Although psychological distance is often correlated with geographical distance, the link is not entirely clear. It may be the case that there is a large psychological distance between geographically close markets, i.e. strong differences in corporate practices and institutional environments. Furthermore, the psychological distance may change over time. As the diversity of foreign markets (presence in different markets) increases, firms gradually increase their organisational routines and the importance of psychic distance decreases"* (Incze, 2010). It can be observed that family firms' internationalisation processes also include this decision-making aspect, as well as their preference for countries where they have relatives or close friends living in the diaspora and through whom they enter the less unknown territory with their products or services, thus in most cases keeping personal control within the family (Ratten et al., 2017; Ratten & Tajeddini, 2017).

#### 2.5.4 Family versus non-family businesses

A number of the articles examined, when looking at innovation and internationalisation, put a different perspective on these two factors: namely, whether they are different for family and non-family firms.

The focus of the research is different. For family firms, the link between internationalisation and innovation is stronger than for non-family firms, which is even more

so when the firm is run by a family member and not a non-family member (Lin & Wang, 2021). The converse is argued by Samsami and Schött (2021) (Samsami & Schött, 2021), who find evidence from their results that innovation induces firms to increase their export performance, but that this relationship is weaker for family than for non-family firms. Somewhat against the international experience, the results of Singh and Kota et al. (2017) (Singh & Kota, 2017) says which, although there is a broad consensus in the literature that family firms are risk-averse and therefore less innovative, still suggest that family firms are more innovative and more likely to internationalise than non-family firms, especially younger family firms compared to older ones.

Islam and colleagues (2022) (Islam et al., 2022) find that family ownership has a negative effect on technical innovation, while family management has a positive effect, but both are supportively related to international strategies. However, if foreign shareholders are present in the ownership structure, this can specifically catalyse internationalisation (Yang et al., 2016b). In Cerrato and Piva (2012) (Cerrato & Piva, 2012), they identify the negative effect of family management on internationalisation, adding that it can be stimulated by a more qualified pool of professionals and top management, as well as the possible presence of foreign shareholders. Herrera and de las Rosas (2020) (Herrera & De Las Heras-Rosas, 2020) examine innovation and internationalisation from the perspective of the sustainability of family firms. Both are cited as important factors for survival, but they also find that family firms differ from non-family firms in terms of innovation, as they also pursue a variety of non-economic objectives. They argue that internationalisation strategies are more cautious and deliberate in the case of family firms, which is why they can be sustainable in the long term. However, the innovation activities that drive internationalisation differ somewhat between sub-periods for family and non-family firms, as family firms follow more stable innovation paths during internationalisation (Espeche et al., 2023). It is also observed that family firms achieve a lower LBE effect from internationalisation in terms of process innovation than non-family firms (Freixanet et al., 2021).

## 2.6 Building a theoretical model

### 2.6.1 Captured by the SEW

As we can be seen from the above review, there is a large literature consensus that the socio-emotional wealth and welfare of family firms limit or hinder their innovation and internationalisation activities (Lohe et al., 2021). However, we have also seen that according to research, risk management in family firms is not a passive but an active process, whereby they seek to develop their knowledge and thus to diffuse their risk in relation to certain decisions until they are comfortable with the possibility (Ratten & Tajeddini, 2017), and in particular, they support innovation when they know that it leads to access to new distribution channels, to geographic market entry and to cost reductions (Braga et al., 2017). In the following, I would like to present an alternative approach that could show a way out of this situation, able to balance entrepreneurial orientation and socio-emotional wealth. To this end, by adopting the FIBER model's scale validating SEW and then the REI scale derived along it, I will nuance how innovation and internationalisation can have a positive and acceptable impact on SEW by touching on the aspects presented earlier.

### 2.6.2 Middle East success, Carpathian Basin failure

In 331 BC, on the battlefield of Gaugamela, the decisively Macedonian armies led by Alexander the Great won a brilliant victory over the Persian armies of Darius, which resulted in Babylon opening its gates unopposed to the victors and Alexandros being recognised as the new Persian Great King. This was not only a milestone in the centuries-long rivalry between Greece and Persia, but also the beginning of Hellenism. By this is meant the process by which the civilisational achievements and cultural knowledge of the Hellenic world spread throughout the Persian Empire, from the West Indies to Egypt, as a result of the conquest. How does this relate to our topic?

Alexander the Great's father, Philip II, a strongman of the Macedonian dynasty, an innovative leader in his own right, reformed the Macedonian army, quadrupled the territory under his people's rule, and in the Battle of Khaironeia, where leadership of the Greek world was at stake, won a brilliant victory over the Athenian-Theban coalition and formed the Corinthian League, which his son Philip II of Macedon inherited. In 336 BC, following the

death of his father. The future prince, groomed by Aristotle, immediately after confirming himself in his father's succession, came up with a revolutionary idea: instead of waiting for the city-states of the Hellenic world to see when another Persian attack would come against them, the city-states of the Hellenic world should launch pre-emptive strikes against the Persians, the pre-Gaugamela stage of which was the battle of Granicus and Issus. Alexandrian innovation thus led to internationalisation. Phillipus II had (1) an intergenerational vision, and although he had seven wives, he sired only two sons, of whom the inheritance of power was clear to Alexander, and thus the retention in the family of the sons who, through their upbringing, guaranteed the preservation and transmission of the family's Phillipian traditions and values. The close emotional bond between the (2) members of the family could not be realised, since Alexander the Great acquired the supreme power after the death of his father, and he himself died young, without an heir, in 323 BC.

The above example demonstrates how the SEW aspects prevailed despite the fact that both the innovation and the subsequent international expansion involved many risks, and the entrepreneur behind them, who made a series of decisions that carried considerable risk. The categories of EO as defined are all present: the willingness to innovate is undoubted, the proactivity took the Persian side by surprise, the risk-taking is absolutely evident, and the aggressive competitive spirit can be seen in the consolidation of the power inherited from his father and the deposition of Darius III from the Persian throne.

More than 2300 years later, a company established in Hungary decided to internationalise. The company operated counters in metropolitan shopping centres, where customers could avail themselves of a hand-care service. The business grew rapidly and, with no direct competitor, practically doubled its turnover, its customers and the number of service points it operated every year. After three years, building on their success in Hungary, they expanded to three neighbouring countries, offering a service similar to the one in Hungary, copying the initial model almost perfectly. However, the expected success did not materialise, but a series of unforeseen difficulties arose, and within about five years all the foreign outlets had to be closed. This in itself would have been a problem, but it was as if this failure had dragged the domestic business down with it: in parallel with the closure of shops in the three countries, almost 40% of Hungarian shops closed. But what could have led to this?

In the case of our second example, the innovation was the business model, which, in line with the literature, once proven to work in the domestic market, opened up the possibility of entering cross-border markets. However, according to the manager, the biggest mistake

was the inability to exercise effective and lasting control over the foreign units, effectively monitoring their operations, which led to a lot of abuse, and there were examples of an entire business closing down with all employees at once (which was more unusual than harmful), however setting up their own salon, taking all the company's stock and even the chairs with them, in addition to the customers (this was later followed by a denunciation, but the business never reopened). According to them, things were only going well as long as someone from the senior management team in Budapest was involved in the day-to-day work on the ground, but the long distance and the growing number of service points meant that this could not be sustained in the long term. As, step by step, the good farmer's fattening view of cattle almost disappeared, the values espoused by the company and the level of service required became increasingly distant from what was actually being delivered, and locally appointed middle managers were not representing the interests of headquarters but were playing games with the staff they were entrusted with. Under these circumstances, the turnover was quite high, so that emotional ties and strong social relationships with staff in the foreign units could not be established, but as a side effect, the relationship and cohesion between staff in the Budapest centre was strengthened by the many disappointments and problems. It was also a problem that - although in all three cases the market entry was made within a psychological distance, and in almost all cases they could count on a significant Hungarian community locally, and in one of the countries they had a trusted colleague from the region for a long time - cultural similarities and possibly fewer language barriers did not automatically mean knowledge of a different legal environment, which created a number of inconveniences that were not anticipated even in the pessimistic scenarios when the first plans were made. As the company does not have a long history of its own and its management is young, the succession was not yet on the agenda, but the manager said that expansion abroad would strengthen the company and increase its long-term sustainable profitability, despite the negative outcome.

## 2.7 SEW versus EO instead of SEW+EO

With regard to the above examples, it is important to note that they are not quoted in my paper with the intention of validating my statements or justifying my argument, but only to illustrate it in a practical context. I will now show how, in my view, the scope of the socio-emotional wealth requirements of family businesses and the economic and financial benefits

of internationalisation and innovation can be reconciled, and how the entrepreneurial orientation can be enforced.

1. family influence and control: one of the most important objectives of family management is to retain strategic decision-making, but this, if not given the authority that, for example, in a geographically structured divisional organisation, the head of the divisions might have, reduces the scope of local decisions to the operational level, so that SEW is not compromised. Another possible solution is to give even partial strategic decision-making powers to the head of the organisation resulting from the foreign expansion, but to give the position to a family member, so that, although some of the strategic decisions are taken away from the headquarters, they remain within the family, which is also in line with one of the key SEW principles.
2. family corporate identity/identification of family members with the company: the great distance and the intensity of the usual organisational functioning, with daily family interactions, will certainly diminish in this respect if the life of headquarters is 'diluted' by the expansion abroad. In addition, or perhaps because of this, it is more difficult for family members working at headquarters to develop the same intense attachment to subsidiaries and staff as those working at headquarters. Of course, this can be helped by delegating one or more family members to the management of the subsidiary, but even in the absence of this, strengthening the organisational culture, even by physical means, and consciously building a sense of belonging can be a supportive solution.
3. social ties: since the boundaries of the family approach are generally not defined within the family firm but beyond, with old customers and suppliers, this projection of a family atmosphere and approach provides stability and strengthens the bond with the firm. This can be compromised by entering foreign markets, but if this is done through network membership and taking advantage of its benefits, not only are the overall risks reduced, but many existing partners can be retained in international operations for foreign affiliates or sites. If this is not possible, the parent company may also benefit from the market-based development of new relationships from other perspectives, if this is replicated as good practice, as it can be an important step towards professionalisation, as changing norms and values within the family firm is one of the drivers of this (Kárpáti, 2021).

4. emotional attachment: the emotional bond will also surely dissolve, but if we look at this in a complex way, not only positive, supportive and loving moments will occur during the close daily cooperation, but also arguments and quarrels, which will also become less frequent, so that the negative emotional waves and tensions they generate can be eliminated from the life of the company.
5. renewal of the family ties with the firm through dynastic succession: the stability provided by the transgenerational approach can also be experienced by the firm as a kind of risk-taking of the innovation-generation process, which usually overrides the principle of 'patient capital'. I suggest that, if it is possible to delegate a family member as the responsible manager of the foreign company, this could be a rather important act of reinforcing the transgenerational approach, since, as a very important milestone in the succession process, taking responsibility becomes one of the most important tasks of the chosen and appointed successor once the predecessor retires. In this way, the potential successor will be involved from preparation to operation, but the power conferred on him will not be unlimited and the effects of his decisions will be partly separable from the operation of the parent company. Of course, this is only true if the successor candidate otherwise has the necessary knowledge and competence. On the other hand, the company's performance can also benefit if the principle of "patient capital" is replaced by a spirit of dynamic market development backed up by good experience.

In addition to this, the many opportunities for organisational learning can be important, which, armed with the experience of innovation and internationalisation, can make the company less vulnerable. And the traditional cautiousness of family businesses about risk seems manageable, in other words if strategic planning becomes more sophisticated and detailed in the life of the company, the effectiveness of decision-making is likely to increase.

## 2.8 Summary

In my work, I have examined a specific segment of family business operations. After a literature review on the nature of the relationship between international market entry and innovation, I identified the main directions and results of research on this topic, and then attempted to resolve a controversy that has been repeatedly cited in the literature, namely the

retreat of the socio-emotional wealth and well-being of family firms, of the socio-emotional wealth of family-owned enterprises, which is a constraint on the development of the firm and its global (or at least international) role, and the socio-emotional wealth of the family firm.

Since the logic of market evolution implies that innovation is also a necessity because, over time, market concentration selects out weak and uncompetitive firms and only those that are able to innovate continuously are allowed to survive, family firms can only achieve their long-term strategic goals of sustainability if they are able to innovate while maintaining the family firm character, even along the lines of the proposals made in this study.

The usefulness of this paper also lies in its exposure of the dichotomy among family business managers, which I have indicated following a review of the literature, and in offering practical solutions to overcome these problems. If family businesses successfully internalise the benefits of innovation and internationalisation in their operations, they can, in addition to and in parallel with solving the apparent problem, take significant steps towards professionalising their business, which will further enhance their operational efficiency.

My work has several limitations, the hypothesised solutions need to be validated quantitatively in the future, and a questionnaire survey may be useful to assess the usefulness of the proposals, the results of which may also point to further possibilities. The proposals made do not take into account possible national, geographical or sectoral differences. The proposals made are most feasible if a sufficient number of potential heirs and, in general, a large number of family members are involved in the operation of the company. The work also assumes that there is a real market opportunity behind internationalisation and does not take into account misallocated opportunities and their impact on the continued operation.

SEW CATEGORIES (FIBRE SCALE)	POSSIBLE CHANGE DUE TO INNOVATION AND INTERNATIONALISATION	PROPOSED SOLUTION
<b>FAMILY CONTROL AND INFLUENCE</b>	weakening personal control	<ul style="list-style-type: none"> <li>- as owners are primarily attached to strategic decisions, their retention is not affected by internationalisation</li> <li>- delegating a family member to head foreign organisations</li> </ul>
<b>IDENTIFICATION OF THE FAMILY MEMBERS WITH THE FIRM</b>	as the company grows and differentiates itself, family, caring nature becomes harder to sustain, values cannot be communicated directly / emotional absorption of the foreign company by the parent company is also harder	<ul style="list-style-type: none"> <li>- delegation of family member and close contact may help with these</li> <li>- reinforcing organisational culture, even through tangible means, functions held at headquarters (e.g. central HR aligned with organisational values)</li> </ul>
<b>SOCIAL TIES</b>	if internationalisation is not part of a network, some of the old supplier relationships cannot be passed on to the subsidiaries, creating unusual uncertainty	<ul style="list-style-type: none"> <li>- internationalisation using existing relationships</li> <li>- the selection of new contacts on a market basis can increase the efficiency of the company, especially if it is leaking back to the parent company</li> </ul>
<b>EMOTIONAL ATTACHMENT</b>	are weakened as the whole entrepreneurial family is most certainly not physically following the expansion of the company, so daily interactions and the emotional ripples they create are reduced	<ul style="list-style-type: none"> <li>- this can filter out the negative effects of anything negative from day-to-day company operations, such as tension generated by disputes</li> </ul>
<b>RENEWAL OF FAMILY BONDS</b>	the stability and object of the transgenerational approach may be jeopardised, the principle of "patient capital" is eclipsed	<ul style="list-style-type: none"> <li>- delegation of a family member, which may be a stage in the process of raising a successor close to handover, thus giving a big boost to the process through empowerment</li> <li>- dynamic development instead of 'patient capital'</li> </ul>

Table 3 – Managing and unifying the effects of SEW and EO to enhance corporate performance (own compilation)

### **3. SZABÓ, GM: THE WALKING DEAD STRATEGY – THE CONNECTION BETWEEN SEW AND EO. SYSTEMATIC LITERATURE REVIEW**

#### 3.1. Abstract

This article is to present the main research directions and findings that currently exist concerning the relationship between socio-emotional wealth and entrepreneurial orientation. Based on the results of a keyword search in two academic databases and a snowball method of crawling, the article reviews 69 papers and structures the results into an integrated model with three main dimensions EO, SEW and entrepreneurial performance. Contrary to the traditional view of family firms as risk-averse organizations that impose non-economic considerations in their decision-making, even at the cost of foregoing economic benefits, our review shows that the values of SEW can be most effectively protected on a long term by applying an entrepreneurial orientation. The article proposes a strategy for family businesses through specific examples.

#### 3.2 Introduction

Different views exist regarding the commencement of family business research. Some authors place the beginnings as early as the 1950s pointing to work associated with family business research (Parson & Bales, 1955) while others (J. Casillas & Acedo, 2007; Colli & Rose, 2003) argue that the first phase of family business research dates back to before 1983. While at that time authors from different academic backgrounds identified specific characteristics of family firms without systematising them, the second period, between 1983 and 1988, was devoted to the development of a framework for an stand-alone research paradigm. The subsequent period brought the broadening of research, and with this the emergence and chiselling out of subfields of family business literature. A relevant milestone in this process from my point of view is the contribution of Rodrigues et al. (Rodrigues et al., 2022). The authors specifically mapped the existing literature related to SEW and EO and the relationship. And showed furthermore that the most significant interest in the field of family business research is SEW, with a tenfold increase in the number of articles on this topic over a period of ten years. At the same time writings on EO have also been increasing, although not to the same extent. My choice of topic was guided by the fact that researchers are increasingly focusing their attention on the

relationship between the entrepreneurial orientation of family businesses and their socio-emotional wealth, which currently has culminated in very different ways of portraying and perceiving this relationship.

As the volume of research is steeply increasing, it appears timely to contribute to the field with summarizing and synthesizing the results, such, to the best of my knowledge, still lacking at the moment. In addition to a systematic review of the current pool of knowledge, I consider it important to create a structured model based on the results of the review, that can be used by managers of family firms. This model illustrates how the individual dimensions of entrepreneurial orientation affect the SEW defended as the main objective, and how the individual elements of the SEW influence entrepreneurial orientation.

I would like to demonstrate to practising family business managers, through a structured synthesis of the literature, that entrepreneurial behaviour does not work against the values of family, quite on the contrary, without family values and transgenerational transmission, the maintenance and transmission of family values, as well as the long-term operation and control of the family is an almost impossible task. The EO path strengthens these positions and the model I present also provides guidance on the areas where improvements are needed to achieve this successfully.

### 3.3 Research methodology and structure

The aim of this article is to identify and present in a structured way the current scientific findings, debates and research directions concerning the connection between SEW and EO, in a way that can be used by other researchers interested in the topic, and to highlight the interrelationships between the concepts under study, as well as the current research gaps, indicating further research directions and opportunities. This provides a basis for further knowledge development and theory building (Webster & Watson, 2002). For the reasons described above, I have chosen as the genre of my work a systematic literature review, which follows predefined rules that are key to conducting a professional, transparent and replicable literature review (Pistrui & Harmat, 2022; Tranfield et al., 2003), and which is able to present a current segment of the discipline along the lines of research questions and synthesise its context (Hart, 2018).

During the research, I first defined the relevant articles (A), following the steps suggested by Webster and Watson (1<sup>st</sup> table), and then categorised the articles into tables recommended by the authors for structuring, which facilitated the analysis of the articles in the third (containing

definitions) and fourth (presenting relations among definitions) sections and their subsections (B). Next, I created a theoretical summary model (C), which I present in chapter 5 (D), and then I illustrate its limitations and results (E) (chapter 6), and finally I make practical suggestions through an unusual metaphor (chapter 6.1) (Webster & Watson, 2002).

The steps of the systematic literature review proposed by Webster & Watson	
A.	Identifying the scope of relevant articles
B.	Structuring the review (using the tables suggested by the authors)
C.	Theory building
D.	Evaluation of the theory
E.	Drawing conclusions (identifying future research directions and limitations of the research)

Table 1: Steps of the systematic literature review as proposed by Webster & Watson (based on (Webster & Watson, 2002), own compilation)

To define the scope of the articles, first I conducted a Google Scholar search using the keywords "family business", "SEW AND EO", "socio-emotional wealth", "entrepreneurial orientation", and then a similar search in the Science Direct database using the keywords "family business OR family firms" AND "SEW" AND "EO". The first search yielded 92 results and the second 25. Duplicates, articles not relevant to my topic, non-English works, book chapters and PhD dissertations were excluded from this sample. The remaining set was then extended by the so-called snowball method, i.e., by a targeted search of the bibliography and reference list of the scientific articles under review and the inclusion of relevant works until I could no longer find new information related to our topic, until did not yield further relevant publications (Kárpáti, 2021). The procedure resulted in a sample of 69 articles included in this literature review.

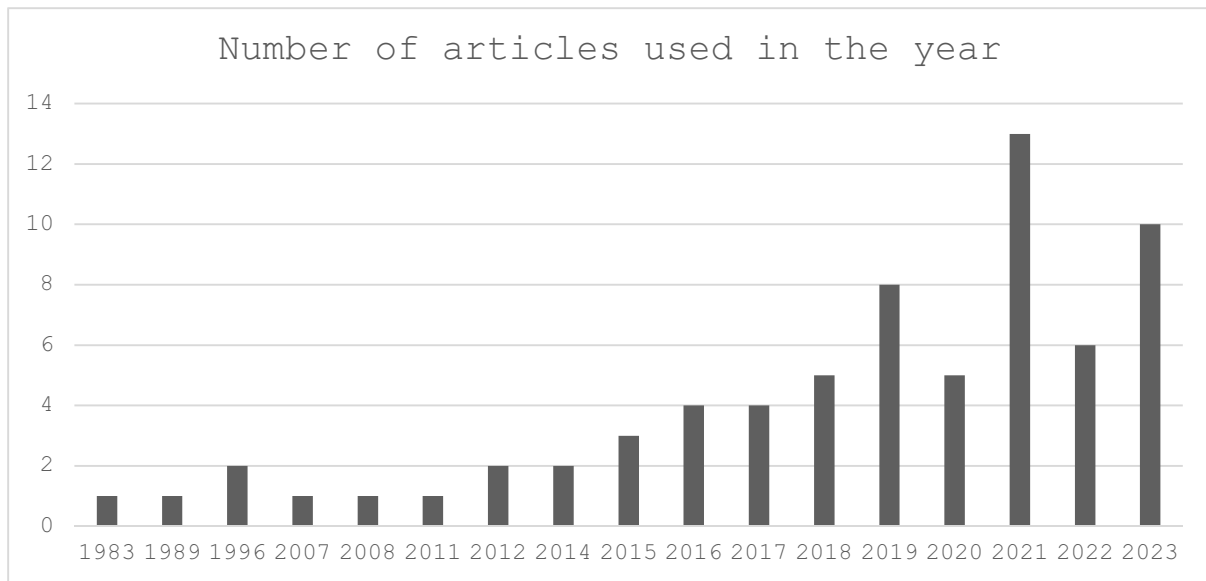


Figure 1: Breakdown of the 69 articles in the study by year of publication (own compilation)

The selected publication span a time frame of forty years, which makes it feasible to depict the scientific evolution of the concepts we are concerned with in this article (for example, in the case of a change in the conceptual framework of entrepreneurial orientation) particularly given the fact that more than 60% of the papers in the sample are from the last five years is an indication of the actuality and freshness of the work. The following flowchart provides more detailed information on the definition of the scope of the examined literature and its steps.

### The process of selecting the literature to be included in the study

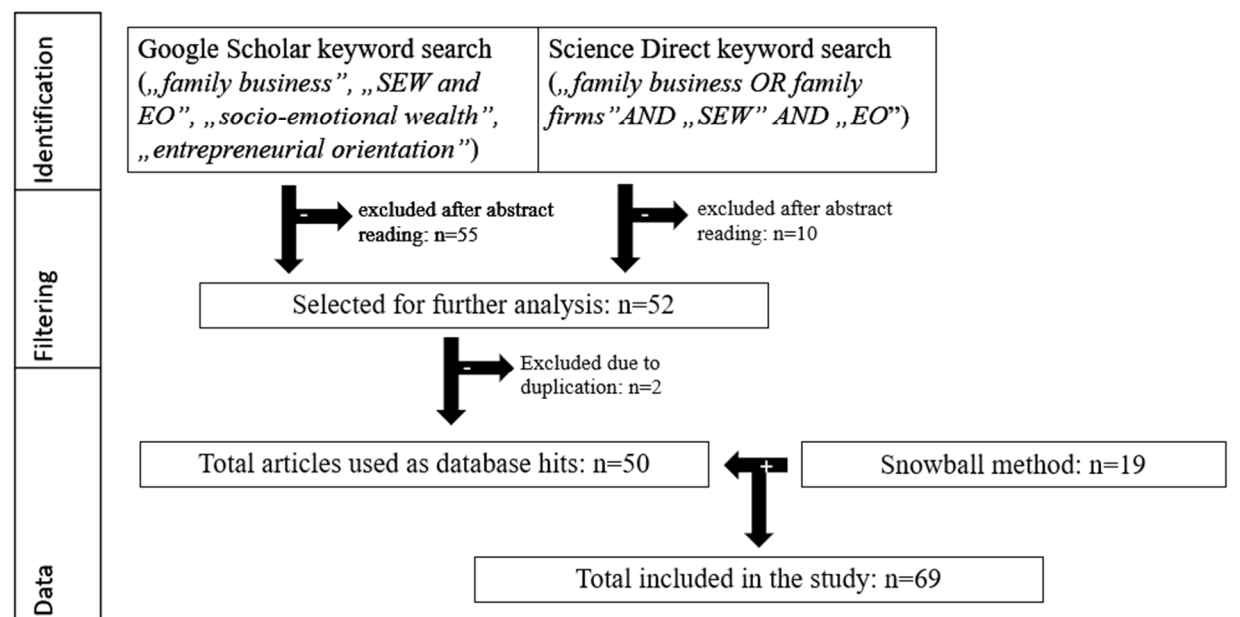


Figure 2: The process of selecting the literature ((Kisfűrjesi & Hofmeister-Tóth, 2022), own diagram)

The analysis of the selected publications was directed to answering the following research questions:

- 1.a How does the article define the concept of SEW?
- 1.b How does the article define the concept of EO?
2. According to the article, what is the relationship between the individual dimensions of SEW and those of EO?

After presenting the results, I will summarise them by proposing a model developed in the context of this paper which the practical aspects are laid out in detail through an illustrative, but deliberately non-corporate example.

### 3.4 Definitions of terms

In this chapter I will first define the concept of family firms as it provides the definition of the subjects of our study. Next definitions of the central concepts of this paper, socio-emotional wealth (SEW) and entrepreneurial orientation (EO), are discussed. Acknowledging the fact that there is no consensus in the literature, I will discuss the typical definitions that represent the views of our research community.

#### 3.4.1. Family firms

"The family character of a company can be defined by the family's real personal presence in the company and its ownership, and by the family values that prevail in the company. To summarise these two aspects, a family firm (...) is any firm where one or more families either have effective dominant control over the firm or, irrespective of ownership, they perceive their influence as dominant and consider themselves to be a family firm" (Wiesz, Sallay, et al., 2021). In their 2014 article (Meneses et al., 2014), Meneses and co-authors highlight the need for business leaders from a joint family to share the same social values, vision and practical priorities, derive from family traditions. The three overlapping subsystems of the family business are family, ownership and business, and it is through the interplay of these that the resource mix is formed from which the unique capabilities of family firms are derived (Tagiuri & Davis, 1996). One of the most important goals for family managers is to maintain control in family hands, and partly

as a result they take into account a myriad of non-economic aspects in running the firm (Wang et al., 2021b). In their 2019 paper, Wieszt and Drótos (Wieszt & Drótos, 2018) specify at least 50% family ownership as a condition for dominant family control. The traditional family firm approach also emphasizes risk-averse behavior and conservative management of family firms (Singh & Kota, 2017). It even prefers prudence and mistrust over sustainability change management (Csedó, 2023). However, in this paper we aim to provide a much more focused picture by reviewing the literature.

### 3.4.2. Socio-Emotional Wealth (SEW)

#### 3.4.2.1. The concept of SEW

The definition of socio-emotional wealth (SEW) was introduced by Gomez-Mejía et al. (Gómez-Mejía et al., 2007) in their highly cited 2007 paper. The authors argue that family business decision making is not limited to purely economic considerations, but is also strongly influenced by non-economic, not efficiency driven considerations that satisfy the social and emotional needs of the family in relation to the business. From a more distant perspective, it can be understood as family values, the intimate culture of family business, long-term commitment, the intention of dynastic succession, and the key role of sustainability (Zellweger & Astrachan, 2008). Socio-emotional wealth is a differentiating factor that can support the growth of family businesses (Tuirán-Álvarez et al., 2019). SEW perceives how to preserve and maximise the family firm's sense of security in the face of internationalisation and risk optimisation (Haddoud et al., 2021b). Ingram, in her 2001 article (Ingram & Bratnicka-Mysliwiec, 2021), describes SEW as the emotional posture of family firms and writes that while her research shows that organisational resilience has a direct and positive impact on SEW, socio-emotional wealth is also a mediator between organisational resilience and performance. Socio-emotional wealth is also changing over time, while being very high for founders, it weakens as successive generations emerge and become leaders or bring external leaders into the organization, as they become less attached to employees (Moreno-Menéndez et al., 2022). This is somewhat contradicted by an approach that refers to SEWs as an important influencer of business relationships and decisions, with the aim of ensuring intergenerational continuity of business and ownership and keeping it in the hands of the family, which, among other things, avoids conflicts arising from differences between management and ownership objectives (Sanchez-Famoso et al., 2019). In addition to the expertise and experience of firms, the greatest

influence on the involvement of non-family managers is the adherence to SEW goals (Kallmuenzer, Hora, et al., 2018).

#### 3.4.2.2. The dimensions of the SEW

There are different approaches to the content, dimensions and measurement of SEW, some of these independent or complementary. The FIBER scale (Berrone et al., 2012a) uses the following five categories. Family influence and control, which mainly refers to control over strategic decisions; family corporate identity, which refers to identification of family members with the firm, while extending this approach to external and internal stakeholders in the firm's operations; social bond, which expresses the mutual bond that enhances stability and commitment; emotional attachment, which indicates a dynamically changing state, blurring of the sharp boundaries between family and company, and underpinning the fact that current emotions strongly influence the company's decision making mechanisms; and renewal of family ties to the firm through dynastic succession, which relates to the long-term perspective, as described by the term "patient capital". In comparison, the REI scale contains simplified dimensions, focusing on the intergenerational vision and dynastic holding of ownership positions, family retention, the retention and transmission of traditions and values within the family, the close emotional ties between family members and the close relationship between family and business, security and its effects on identity (Hauck et al., 2016). For example, besides the obvious similarity with the FIBER-scale, the REI model also reduces the role of family corporate identity, which is in line with Wieszt's study (Wieszt, 2020), whose results show that family corporate identity has no effect on performance, and that good performance does not even strengthen family corporate identity. In contrast to the unifying effort of the above two models, the paper by Singal and Batra (Singal & Batra, 2021a) proposes the composing factors of the FIBER scale to be separately studied. This is confirmed by the fact that the impact of SEW on innovation, is seen by researchers as both negative and positive (Casado-Belmonte et al., 2021), and the relationship between innovation and performance can be represented by an inverted U-shaped curve (with SEW as the starting point), which is negatively affected by the generational progress of the firm (Bauweraerts & Colot, 2023). Bujan (Bujan, 2020) draws attention to the importance of education as a new SEW aspect, as he considers that it helps both to integrate into local networks and to improve firm performance. Similarly to the REI scale, Debiczki et al. developed a three-element criteria (Debicki et al., 2016), in which they focus on (1) family perception, i.e. the perception of the family firm by the community surrounding the

firm; (2) family continuity, i.e., the goal of maintaining control and influence over the family firm; and (3) family enrichment, i.e., the goal of fulfilling altruistic obligations to family members and maintaining and strengthening family harmony by combining goals to involve as many family members as possible. The authors admit that there are overlaps and parallels between the FIBER scale and the dimensions they propose. With their multidimensional model, Reina et al. (Reina et al., 2023) distinguish eleven aspects constituting SEW.

#### 3.4.2.3. The impacts of the SEW

The very originators of the concept examined what and how socio-emotional wealth affects, and since then a number of academic works have chosen it as their subject. It has been argued that SEW can be a barrier to the growth of firm performance (Gómez-Mejía et al., 2007), which is contradicted by a study published in 2019 by Ng et al. (Ng et al., 2019), in which they report that the three dimensions of the FIBER scale act as mediators of performance when appropriate leadership skills are present. In their 2018 paper (Martínez-Alonso et al., 2018), Martínez-Alonso and co-authors write about the negative impact of SEW on research and development (the familial nature of the leader's personality, personal risk-taking and willingness to innovate, and the need to perform), but that if the firm's performance is below expectations, this negative effect is mitigated, as increased risk-taking at the expense of SEW is a survival strategy: both socio-emotional and real wealth are at risk when the firm's operations are jeopardised. Kraus and co-authors (Kraus et al., 2016) identify four combinations of SEW that have different effects on the internationalization of family firms. However, in examining family and corporate goals, it has been found that corporate goals often precede family goals in the process of synchronizing them (Brundin et al., 2023).

#### 3.4.3. Entrepreneurial Orientation (EO)

##### 3.4.3.1. The concept and the dimensions of the EO

The emergence and evolution of the term entrepreneurial orientation and its content can be traced precisely in the academic discourse. Initially, an entrepreneurial firm was defined as a company that carried out product or market innovation, took some risk and was the first to come up with proactive innovations (Miller, 1983). Six years later, three specific EO dimensions are mentioned: innovativeness, proactiveness and risk-taking (Covin & Slevin, 1989). In the

following decade two more aspects were added in the form of autonomy and 'competitive aggressiveness', thus forming the five aspects of assessment that are now widely agreed upon (Lumpkin & Dess, 1996). However, Le Breton-Miller and Miller (Le Breton-Miller & Miller, 2023b), argue that it is the combination of these aspects, or ultimately their convolution into a single dimension, that makes fine-tuning impossible. An alternative approach to EO examines product innovation, service innovation, location, distribution, revenue model, price, advertising and social orientation, and proposes a model that incorporates these aspects in an octagonal model (Lortie et al., 2021). Zellweger and co-authors (Zellweger et al., 2012) propose a more nuanced analytical framework, arguing that the study of EO should be extended to entrepreneurial families, which often operate not one but several enterprises, and that it is not justified to limit the study of entrepreneurial orientation to one organisation. To this end, they introduce the concept of FEO, which includes attitudes such as security, stability, control and tradition, on the one hand, and autonomy, innovation orientation, proactivity and risk-taking within the firm, on the other. In addition, Simmons and Kalantaridis, examining the economy of countryside areas in Greece, show that entrepreneurship can be influenced by, a.o., a sense of security provided by strong micro-community ties, but also by the familial micro-community that may exist in the narrow environment of the firm (Simmons & Kalantaridis, 1996). Looking at regional development, Woldesenbet and Murithi in 2019 conclude that higher EO also leads to higher development rates (Woldesenbet & Murithi, 2019). Chen and co-authors (Chen et al., 2022) argue that the concept of EO is suitable to assess the entrepreneurial behaviour of a firm in terms of strategic renewal, performance and growth. Singal and Batra (Singal & Batra, 2021b) describe EO as a mindset that can shape the processes and culture of the firm, and thus has the ability to shape the behaviour and attitudes of all organizational members. In addition, EO contributes to the continuity, development and survival of the firm (Hernández-Linares et al., 2020), while Abdelwahed et al. in 2023 report that their results suggest that it does not have a strong influence on organizational resistance (Abdelwahed & Basly, 2023).

#### 3.4.3.2 The impacts of the dimensions of the EO and the factors affecting the dimensions

Besides general definitions and conceptual frameworks, articles frequently examine only some of EO dimensions or one in particular, and draw conclusions, or analyse the impact of EO on other factors, or the outcome of other factors on EO. Ventel and co-authors identify proactiveness and autonomy as predictors of entrepreneurial performance (Ventel & Farrington, 2021). Others, analysing the role of environmental dynamism, conclude that it stimulates EO

in three dimensions, but also conclude that it is significantly influenced by national cultures (Yildirim-Öktem et al., 2023). They conclude that the dynamics of the environment affects and moderates the relationship between the involvement of the next generations and entrepreneurial orientation, while a hostile environment stimulates risk-taking but negatively affects proactivity (J. C. Casillas et al., 2011). In a rapidly changing environment, high innovation and risk-taking generally lead to higher performance gains (Labaki & Mustafa, 2023). Calabro et al. suggest that there are several configurations of resources and entrepreneurial orientation that increase the level of family business performance (Calabrò et al., 2023). In a different setting, during and after crises, Moreno-Menéndez and Casillas 2021 (Moreno-Menéndez & Casillas, 2021) conducted a study, which showed that firms with low EO values before the crisis were able to achieve higher growth after the crisis, while those with high EO values were able to maintain their pre-crisis EO values. Furthermore, they show that generational change and organisational decline as two notable periods in the life of firm, can have a decisive impact on the process above. This can be linked to the fact that the first entrepreneur in the life of the organisation is the founder who starts the business, but over time, in order to achieve long-term sustainability, this entrepreneurial spirit subsides and only becomes part of the family business strategy again when the next generation enters (Ferreira et al., 2017). The experience is that those entrepreneurs whose parents were also family entrepreneurs have a higher risk-taking propensity than those who grew up in a non-entrepreneurial family (Denicolai et al., 2015). Both the presence of family business owners and board confidants on the board has a positive effect on EO, but the long service term of board members has a negative effect (Le Breton-Miller et al., 2015). The finding regarding the presence of a family members on boards is nuanced by D'Allura (D'Allura, 2019) who's study shows that family presence on the board of a company can have both positive and negative outcomes for EO. Succession, on the other hand, can provide a new impetus to the firm, often resulting in a more proactive and innovative spirit and even an international vision, thus promoting the internationalization of the firm (Meneses et al., 2014). It is also generally argued that high EO has a positive effect on internationalization (Hooda et al., 2022). The relationship between success of new product introduction success and EO is positively influenced by the family nature of the firm, despite the fact that Jimenez-Jimenez and co-authors in their 2020 paper describe, in addition to the above, that they find no difference between family and non-family firms in terms of entrepreneurship (Jiménez et al., 2020).

### 3.4.4. The relationship between socio-emotional wealth and entrepreneurial orientation

#### 3.4.4.1 SEW limits EO

The traditional understanding of the relationship between the two concepts, is that the management of family firms pursues a conservative risk-taking policy due to the family business nature of family firms and thus avoid risk factors in their operations and decision-making that could jeopardise transgenerational inheritance and their sense of long-term stability. I have nuanced this understanding earlier in this article. It follows that SEW limits EO, since one of its key dimensions is risk-taking. Kumar and Dubey (Kumar & Dubey, 2022) report that SEW reduces the impact of EO on business growth. Zahra (Zahra, 2018) writes that as the wealth of entrepreneurial families becomes increasingly concentrated in the family firm over time, the risk-taking strategy of owners changes in such a way, that its goal becomes to protect accumulated wealth and inheritance at the cost of foregoing entrepreneurship. The contribution of Chandler and co-authors also agrees that SEW encourages risk aversion among managers and decision-makers in family firms (Chandler et al., 2016). Helvert and co-author (Helvert & Nordqvist, 2018) maintain that SEW prioritises non-economic aspects over economic aspects in succession. They posit further that because the family business operating logic prioritises risk avoidance and the preservation of safe operations, SEW limits the inheritance of EO in generational succession.

#### 3.4.4.2 The relationship between SEW and EO is ambivalent

There is some divergence from the authors above, who, despite their emphasis on that a strong link between SEW and EO can be demonstrated (Ramírez-Solís et al., 2024), the result is not clearly restrictive. Garcés-Galdeano and colleagues conclude in their 2016 work (Garcés-Galdeano et al., 2016) that although SEW preservation is indeed a key issue in family firm decision making, it cannot be stated that the process is lacking economic considerations. While they point out that SEW preservation leads to family firms generally having lower EO than non-family firms, they also point to technology-intensive sectors as an exception, where the picture created by active entrepreneurship (Singal & Batra, 2021b) is considerably more chiselled as the key to firms' survival. In their work, the authors argue that although family control and the influence aspect negatively affect EO, it plays a crucial role in maintaining SEW goals through the positive influence of identification with the family business, social bonding and emphasis

on renewal and continuity of the company. In addition, as family members interpret the value of the company by their strong emotional attachment, this emotional bond has a pronounced positive effect up to a certain point, as they take proactive steps to preserve it, and innovate their products, services and processes. However, this may lead to adverse consequences if, for example, business information about underperforming family members is withheld or ignored because of strong emotional attachment. LeBreton-Miller and co-authors (Le Breton-Miller et al., 2015) draw attention to Janus-faced nature of the relationship between SEW and EO, arguing that although family business owners will use the company to satisfy their socio-emotional needs, for example by providing jobs for their successors resulting in a conservative risk-taking policy, it also act as a driving force for renewal of the business in order to hand down a healthier firm.

Glowka and co-authors (Glowka et al., 2021) go so far as to conclude, from the results of their research, that family involvement does not affect innovation and performance negatively. Szabó (Szabó, 2023), reconciles the goals and outcomes of SEW and EO by suggesting a response to the five dimensions of the FIBER scale in the context of EO. Opposite to this, Hernández-Linares and colleagues (Hernández-Linares & López-Fernández, 2018), project SEW onto the five dimensions of EO. They conclude that the categories of EO have differ in their effects on performance, which are influenced differently by SEW. While risk-taking, proactivity, proactiveness, autonomy and aggressive competitiveness are positively moderated by EO, innovativeness and performance are negatively moderated by EO, and the latter can be positive even when SEW is low, i.e., in sum, SEW can have both positive and negative effects. Kallmuenzer argues that proactiveness has a positive effect on EO, while innovative ability has a positive effect on SEW and aggressive competitiveness a negative effect (Kallmuenzer et al., 2015), he further points out that besides proactiveness, of the five dimensions of EO autonomy also has a significant effect on the financial performance of family firms. While the presence of strong control mechanism may limit the positive effect of innovativeness on firm performance, also the effect of risk-taking on performance is also to be limited when family-related goals are particularly important in decision making (Kallmuenzer, Strobl, et al., 2018). Hernández-Perlines and co-authors state that although some efficiency concerns are justified and some trade-offs may need to be made in the struggle to preserve SEW, these concerns may ultimately lead family firms to adopt an entrepreneurial orientation as deeply and fully as possible and thus achieve higher performance (Hernández-Perlines et al., 2021). Wegapitiya infers that entrepreneurship is a key to survival for the first generation of family firms, but that there is an inevitable decline in the second generation, while the third generation will need to bring in

external non-family managers. This will only be successful if they are "SEWed", i.e. if they can act as if they were inheritors within the family (Wegapitiya, 2021).

#### 3.4.4.3 Alternative approaches of the relationship

Stanley and his co-authors (Stanley et al., 2019) developed a novel typology that breaks down family firms into four types in a two-by-two matrix. One axis focusing on family influence and the other one on the life cycle of the firm. The resulting four groups have unique EO characteristics. In addition to the four firm categories, they also point out the following five factors having a strong impact on the level of EO.

- (1) the strength of family ownership allows for more particularistic decisions and thus positively affects EO;
- (2) the presence of a family manager enhances the EO-increasing effect of family ownership;
- (3) the presence of a board of directors increases the know-how of the management and allows for more multicriteria decisions, but this can have both positive and negative effects on entrepreneurial orientation;
- (4) firm size has a positive relationship with EO, as larger firms are more likely to be able to raise the capital needed for EO;
- (5) the number of generations involved also has an effect on EO, but probably in combination with a number of other influencing variables, so it is not clear whether founders or subsequent generations of managers have higher EO.

For family business owners, the most important frame of reference in company management is certainly the potential gain or loss of the SEW. Keeping the decision control of the firm in family hands is the primordial hierarchy target. The inherent uncertainty in entrepreneurial practices makes decision makers carefully consider the way its success or failure can change SEW. It might cause many variations in the EO of family firms. For all these reasons, the desire to retain control over the decisions of family firms negatively affects EO (Chen et al., 2022).

As pointed out repeatedly above, SEW benefits and retention often take precedence over financial considerations, yet maintaining corporate control also depends on sound financial performance. Thus, in order to protect SEW, family firms seek entrepreneurial opportunities that support the long-term sustainability of the firm, aided by their close relationship with their business environment (Debicki et al., 2016).

In their 2022 paper (Rodrigues et al., 2022), Rodriguez and co-authors capture the relationship between SEW and EO in family firms in three points following their review of the literature, as they refer to (1) the SEW and EO effects that emerge during transgenerational succession and family involvement, (2) the formation of family firm identity, and (3) the desire to perpetuate SEW, the over-valuation of which may inhibit the development of an entrepreneurial mindset.

### 3.5 Building a theoretical summary model

In order to structure the results of the systematic literature review, I have prepared a table in which the effects exerted by SEW, EO and firm performance as well as the factors that affects on them are listed, with reference to the respective sources. In addition, at the end of the table, the mediating role SEW plays in the impact of the EO dimensions on firm performance presented.

The impact it causes		The impact on it
Has both negative and positive effects on innovation ( <b>Casado-Belmonte et al., 2021</b> ), limits risk-taking ( <b>Chandler et al., 2016; Garcés-Galdeano et al., 2016; Singh &amp; Kota, 2017; Tajeddini et al., 2017</b> ), reinforces family-owned management ( <b>Kallmuenzer, Strobl, et al., 2018</b> )	SEW	Innovative skills have a positive impact (Kallmuenzer et al., 2015) Competitive aggressiveness has a negative impact (Kallmuenzer et al., 2015)
Strengthens transgenerational succession ( <b>Singal &amp; Batra, 2021b; Szabó, 2023</b> )	EO	Family control has a negative impact (Chen et al., 2022; Singal & Batra, 2021b) Identification with the firm is reinforced (Singal & Batra, 2021b) Transgenerational succession is reinforced (Singal & Batra, 2021b) Emotional attachment is reinforced (Singal & Batra, 2021b)

		<p>Binding social ties are reinforced (Debicki et al., 2016; Singal &amp; Batra, 2021b)</p> <p>Existence of a decision-making board has a positive effect (Stanley et al., 2019)</p> <p>Strength of family ownership has a positive effect (Le Breton-Miller et al., 2015; Stanley et al., 2019)</p> <p>Family-owned management has a positive effect (Le Breton-Miller et al., 2015; Stanley et al., 2019)</p> <p>Firm size has a positive effect (Stanley et al., 2019)</p>
	Firm performance	<p>Competitive aggressiveness increases (Debicki et al., 2020)</p> <p>Proactivity increases (Debicki et al., 2020; Ventel &amp; Farrington, 2021)</p> <p>Autonomy increases (Kallmuenzer, Strobl, et al., 2018; Ventel &amp; Farrington, 2021)</p> <p>Innovation has a negative effect (Bauweraerts &amp; Colot, 2023)</p> <p>Risk taking has a positive effect (Debicki et al., 2020)</p>
Relationships affected by SEW (Hernandes-Linares, 2018)	<p>The relationship between innovation and firm performance is negatively influenced</p> <p>The relationship among competitive aggressiveness, proactivity, risk-taking, autonomy, and firm performance is positively influenced</p>	

Table 2: Summary of relationships between elements in the model with source labelling (own table)

This table was also the basis and starting point for the development of the flowchart below. During the development of the model, I wanted to create an integrated system that can

simultaneously demonstrate (1) the impact of EO dimensions on Performance, (2) the mediating role played by SEW in this regard, (3) the effects of the SEW dimensions on EO in accordance with the FIBER-scale, as well as the feedback and interactions of it and its dimensions, and the relationship of the five additional influencing factors with SEW and EO, which I decided to include in the model. For the sake of clarity, I illustrate all of this in two flowcharts below. The positive-effect relationships are shown in light gray, while negative-effect relationships are shown in dark gray arrows.

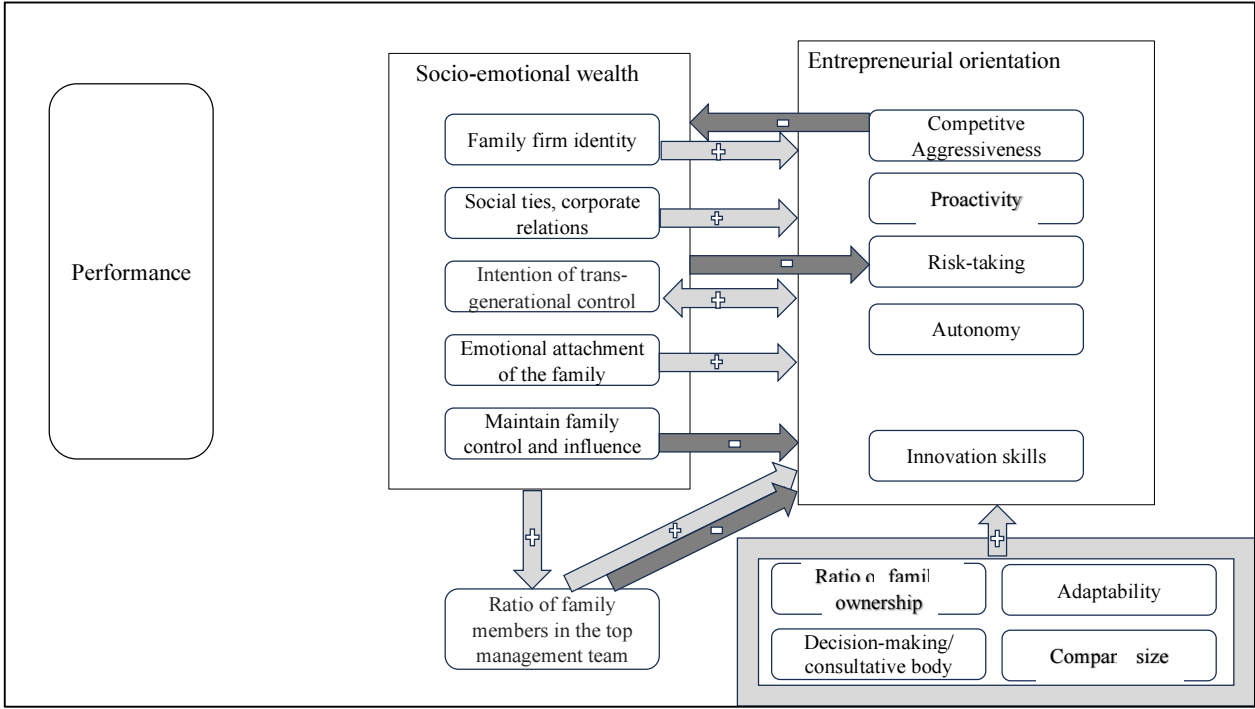


Figure 3: Effects of SEW and EO dimensions and model inputs on and from EO and SEW (Own Compilation)

The flowchart above shows that *competitive aggressiveness* is the only one of the EO dimensions that has a negative effect on SEW. Four SEW dimensions support EO of which *intention of and transgenerational control* has a reciprocal supportive relation with EO. The dimension of *maintain family control and influence* has negative influence on EO. SEW only moderates *risk-taking*, but strengthens the *ratio of family members in the top management team*, which can have both a positive and negative effect on EO. The four impact factors in the lower right corner box all support EO.

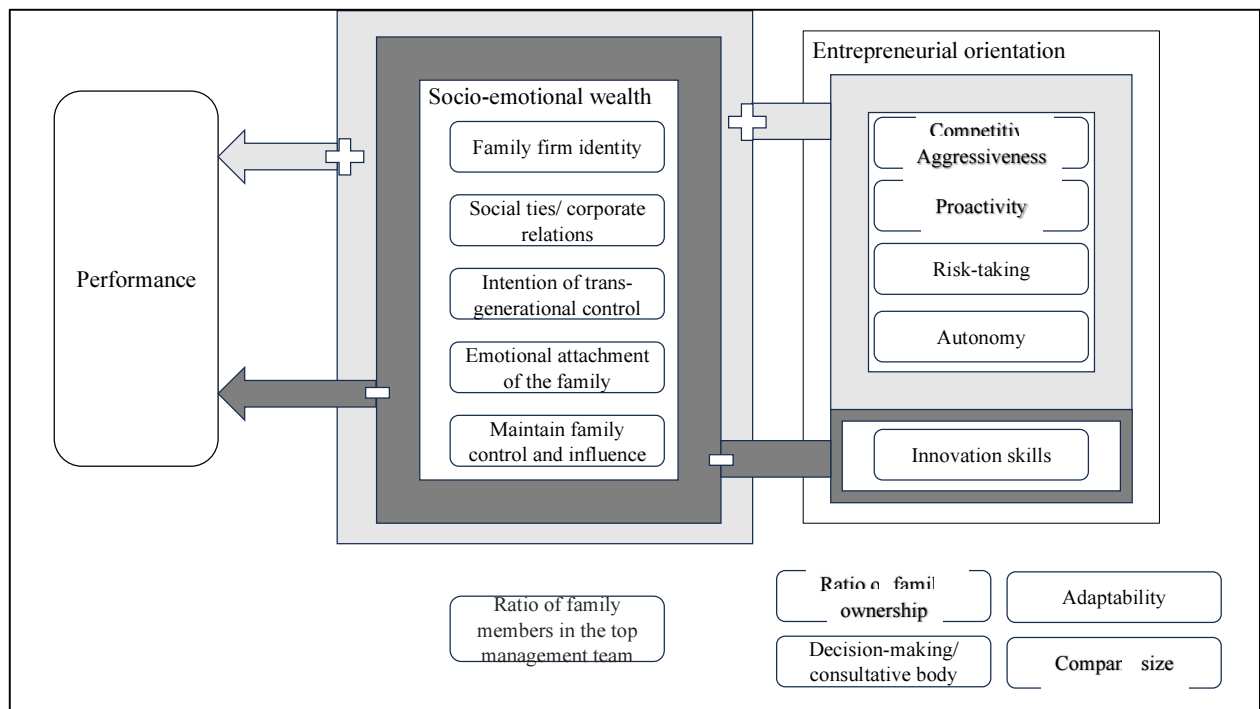


Figure 4: The influence of SEW on the impact of EO dimensions on performance (own compilation)

This flowchart shows that among the dimensions of EO, only the relationship between *innovation skills* and performance is negatively influenced by SEW, while the other four are positively influenced.

The two models illustrate the most important results of the systematic literature review, as follows:

1. All four dimensions of SEW according to the FIBER scale strengthen EO, only *maintain family control and influence* has a negative effect on it.
2. Four of the five dimensions of EO support the increase in performance through the positive mediation of SEW, only in the case of *innovation skills* we can encounter a performance-reducing effect in addition to the negative mediating role of SEW (the outlined SEW effects are reversed in case of a weak SEW value, however, in case of a weak SEW value, the family nature of the company is questionable, so this is not relevant from our point of view).
3. Four of the additional five aspects included in the model clearly strengthen EO, and the *ratio of family members in the top management team* supported by SEW can have both positive and negative effects.

### 3.6. Results, limitations of the research

The model serves as an itinerary, showing in an integrated way how certain corporate decisions and behaviours influence the protection of SEWs, which are a priority in family business decision-making, how entrepreneurial orientation can coexist and how entrepreneurial orientation can contribute to raising SEW values by increasing corporate performance.

A particular achievement and merit of the model is that it separates the individual dimensions used to measure both SEW and EO, thus allowing for a more accurate and articulated picture, while providing feedback on the impact of each variable on the performance and effectiveness of the family firm in each case.

It also looks at novel variables - complementing the traditional SEW-EO discourse - such as the strength of adaptability of family firms, or the existence of a decision-making/decision support body in the management of the family firm, or the governance of the firm by a family member. However, research does of course have its limitations. The proposed model is not suitable for representing how strong and how significant the relationships and correlations indicated are in relation to each other.

Furthermore, it does not indicate relationships and linkages that have been shown by the literature to exist but whose nature is considered being ambiguous or complex, or whose relationships are influenced by so many other factors that further detailed, targeted investigation is recommended.

Also the model does not take the generational stage of a given family business into account, and thus does not reflect that the literature indicates that the most significant entrepreneurial activity occurs during the founding generation's management of the business, nor the diverse scholarly perceptions concerning the behaviour of subsequent generations.

A shortcoming of the model is that it does not address special episodes such as a generational change, the preparation for it or the successor taking over the management of the company.

Moreover, it does not examine the person of the manager, inquiring whether or not he or she was socialised by parents running a family business, although the literature indicates that this is an factor of impact on entrepreneurial behaviour.

Finally, it does not examine whether the family firm operates only in its own domestic market or whether it is in a stage of internationalisation, whether the initial psychological distance (Johanson & Wiedersheim-Paul, 1975) has widened with the introduction of new markets and

how this affects the intention and effectiveness of the family firm to retain control over decision-making.

The above limitations also point to suggested future research directions, especially in areas where the relationships appear as yet unexplored and complex, dependent on many variables.

### 3.7 Practical suggestions - The Walking Dead Strategy

The relationship between SEW and EO should not be viewed in a static way, as a review of the literature suggests that it is more of a spiral process that replicates analogous situations from time to time, with entrepreneurial phases between each dormant state usually involving similar risks, but with greater challenges leading to greater results as the organisation strengthens. An important practical implication is that the results of the research, confirm the view that the protection of SEW can in fact be achieved by strengthening EO, which contradicts the initial perspectives in this field. I could demonstrate this by means an element-by-element analysis of the SEW and EO dimensions.

To illustrate this point, I conclude my work by drawing on the example of a popular Hollywood film - deliberately taking the theory out of the corporate context for clarity. The Walking Dead series follows the struggle for survival of the protagonist, Rick Grimes, and some of his fellow survivors after a zombie apocalypse. The parallel with family business is perfect, as a former police officer who wakes up in hospital after being injured finds himself in a different world, where an infection has left most of humanity (apart from the few survivors) roaming the streets as zombies. Like family businesses, Rick and his team are not concerned with growth or prosperity, but with staying safe. However, if they do not leave their campsite, in addition to being under constant siege by zombies, they cut themselves off from resources and information about the environment around them. Despite the apparent safety, this is a suicidal strategy in the medium term. Instead, like a family business, they need to be in constant motion, gaining as much knowledge as possible about their environment (proactivity, relations with the world around them, maintaining and extending their control), and acquiring as many resources as possible, so that they can use them to guarantee their survival for as long as possible (SEW objective: long-term operation, dynastic succession). As they move between campsites, they face varying dangers along the way (this is the entrepreneurial phase in the life of a company), which can often leave them (or the company) scarred, and a badly chosen journey can even be fatal. However, by arriving at a new campsite, the risks are reduced and the investment made in a new station with greater security bears its fruits. The sense of belonging and identity of the

protagonists, through overcoming challenges and successes but also through failures, which then gives rise to a growing need for autonomy that will be much needed in living with, and in many cases aggressively competing against, other surviving communities.

The above parallel was merely to illustrate the logic behind the connections laid out in the model I proposed in this paper. Yet my suggestion to practising family entrepreneurs is to consider the above ideas when managing their companies, preparing and making decisions, to undertake their business in a way that is constantly mindful, weighing up the risks, the future dangers and opportunities of each decision variation, not to fear to protect the security, profitability and future of their company through the Walking Dead Strategy!

#### **4. SZABÓ, GM – KUN, ZS: THE RELATIONSHIP BETWEEN THE INTERNATIONALIZATION OF FAMILY FIRMS AND THE DIMENSIONS OF THEIR SEW ACCORDING TO THE FIBER SCALE**

##### 4.1. Introduction

The 21st century has marked a true flourishing of family business research. While in the 1990s and early 2000s, research primarily focused on understanding the differences between family and non-family firms, around 2008, the emphasis shifted to the organizational level. Shortly thereafter, increasingly refined analyses began to explore family business-specific phenomena, such as socioemotional wealth (later abbreviated SEW in the text) and its impact on firm operations. All of this has been further enriched by the increasing number of longitudinal studies, while research has also provided increasingly precise insights into various subfields related to family businesses. (Debellis, Rondi, et al., 2021). As the analysis of segments such as professionalization (Dekker et al., 2013; Kárpáti, 2021; Kárpáti & Ferincz, 2024), succession (Sallay et al., 2024; Wieszt et al., 2021; Wieszt & Drótos, 2018), and SEW (Berrone et al., 2012a; Gómez-Mejía et al., 2007; Hauck et al., 2016; Mosolygó-Kiss et al., 2022) continues to deepen and expand both nationally and internationally, it is essential to explore relationships and niche areas that can yield significant contributions to the field through the acquisition of additional knowledge. After thoroughly reviewing the literature, I identified a research gap in the relationship between the degree of internationalization of family firms and the various dimensions of their SEW. While numerous studies have examined the connection between internationalization and socioemotional wealth (Boellis et al., 2016; Debellis, Rondi, et al., 2021; Kraus et al., 2016), I have found none that explicitly focuses on analyzing these two aspects together.

The 21st century has marked a true flourishing of family business research. While in the 1990s and early 2000s, research primarily focused on understanding the differences between family and non-family firms, around 2008, the emphasis shifted to the organizational level. Shortly thereafter, increasingly refined analyses began to explore family business-specific phenomena, such as socioemotional wealth (later abbreviated SEW in the text) and its impact on firm operations. All of this has been further enriched by the increasing number of longitudinal studies, while research has also provided increasingly precise insights into various subfields related to family businesses. (Debellis, Rondi, et al., 2021). As the analysis of segments such as professionalization (Dekker et al., 2013; Kárpáti, 2021; Kárpáti & Ferincz,

2024), succession (Sallay et al., 2024; Wieszt et al., 2021; Wieszt & Drótos, 2018), and SEW (Berrone et al., 2012a; Gómez-Mejía et al., 2007; Hauck et al., 2016; Mosolygó-Kiss et al., 2022) continues to deepen and expand both nationally and internationally, it is essential to explore relationships and niche areas that can yield significant contributions to the field through the acquisition of additional knowledge. After thoroughly reviewing the literature, I identified a research gap in the relationship between the degree of internationalization of family firms and the various dimensions of their SEW. While numerous studies have examined the connection between internationalization and socioemotional wealth (Boellis et al., 2016; Debellis, Rondi, et al., 2021; Kraus et al., 2016), I have found none that explicitly focuses on analyzing these two aspects together.

At the same time, it is equally important to continuously reassess the initial claim in the literature that SEW constrains the internationalization of family firms. In recent years, several studies have challenged the exclusivity of this assertion, highlighting the need for a more nuanced understanding of the relationship between SEW and internationalization. (Ramírez-Solís et al., 2024; Singal & Batra, 2021; Szabó, 2023).

During the literature review, we also found references suggesting that a recommended direction for future research is the exploration of the relationship between non-economic goals and internationalization behavior, for instance, through the dimensions of SEW. (Debellis, Rondi, et al., 2021). Within this scope, family goals and values appear to be particularly intriguing. (Reuber, 2016). We are aware of research conducted within the Hungarian context that examines the relationship between the familiar nature of family businesses and internationalization, specifically focusing on export activity (Szennay & Csákné Filep, 2024). However, the scope of this study is limited to export activities, whereas the concept of family business characteristics is broader than the SEW aspect analyzed in our study. As well as research that examines the dimensions of the FIBER scale individually, not in relation to internationalisation, but rather in connection with entrepreneurial orientation (Szabó, 2025).

Considering the above, along with the recommendations of previous studies and the findings of the literature review, our research question aims to determine whether there are detectable differences in the values of the FIBER-scale dimensions among family firms at different levels of internationalization.

Accordingly, prior to commencing our research, we formulated the following hypotheses:

H1. The values of the Family Influence and Control dimension of socioemotional wealth differ statistically significantly among firms at varying degrees of internationalization.

H2. The values of the Family Business Identity dimension of socioemotional wealth differ statistically significantly among firms at varying degrees of internationalization.

H3. The values of the Binding Social Ties dimension of socioemotional wealth differ statistically significantly among firms at varying degrees of internationalization.

H4. The values of the Emotional Attachment dimension of socioemotional wealth differ statistically significantly among firms at varying degrees of internationalization.

H5. The values of the Renewal of Family Bonds through Dynastic Succession dimension of socioemotional wealth differ statistically significantly among firms at varying degrees of internationalization.

In addressing this research question, our study contributes to the understanding of the impact of various SEW dimensions on the functioning of family firms. Specifically, by examining their relationship with the depth of internationalization, our research identifies, on the one hand, the SEW dimensions that can be considered key to internationalization and that exert a strong influence on the process. On the other hand, it reveals how the specific values of these dimensions correspond to different levels and depths of international activity, thereby indicating the extent to which internationalization is likely or achievable under certain SEW conditions.

This also highlights which SEW dimensions may pose a risk to a family firm on the verge of internationalization or to one that prepares to so. Furthermore, it identifies the key areas that require conscious attention to ensure that the intended level of internationalization can be successfully achieved.

## 4.2. Theoretical framework

### 4.2.1. Conceptualizing Socioemotional Wealth

The examination of socioemotional wealth is one of the most dynamically evolving areas of family business research. (Szabó, 2023). Its origins can be traced back to behavioral management traditions, and the concept helps to overcome the rigidity of traditional agency theory regarding decision-makers' consistent risk preferences by introducing context-dependent risk-taking. (Mosolygó-Kiss et al., 2022). Its subject of analysis is complex, encompassing family control, influence, and identity (Gómez-Mejía et al., 2007). More broadly interpreted, it includes all aspects that cannot be explained purely in economic terms—or those that are not economically rationalizable—such as family values, the intimate culture of the family business, long-term commitment, the intention of dynastic succession, and the key role of sustainability (Zellweger & Astrachan, 2008). SEW represents a non-financial form of well-being, encompassing valuable attributes that family firms seek to preserve, even when doing so might lead to economically suboptimal decisions. (Wu et al., 2024). Some authors distinguish between a narrow and a broad interpretation of SEW (Miller & Le Breton–Miller, 2014) based on whether its effects and outcomes are perceived in the short or long term. Others segment SEW according to whether it pertains to the immediate family circle or extends to protecting the interests of the broader family network. (Gu et al., 2019). A more recent research perspective suggests that SEW is not static; rather, different dimensions become more prominent in decision-making at various stages of a family firm's lifecycle. (Mosolygó-Kiss et al., 2022; Strike et al., 2015).

SEW has the potential to influence corporate performance. (Berrone et al., 2012a).

Several approaches have been developed in recent years to measure SEW. These include the FIBER scale (Berrone et al., 2012b), which comprises five dimensions: family influence and control, family business identity, social ties, emotional attachment, and transgenerational succession intent. The REI scale (Hauck et al., 2016), which examines intergenerational vision and dynastic ownership of equity positions, the preservation and inheritance of traditions and values within the family, as well as the strong emotional attachment among family members and the close relationship between the family and the business, including its impact on identity. The SEWi scale (Debicki et al., 2016), which follows a three-element framework similar to the REI scale, incorporating family reputation, family continuity (i.e., maintaining family control), and family enrichment, which includes the involvement of as many family members as possible

in the family business. A more differentiated, multidimensional approach of 11 elements also exists (Reina et al., 2023), which expands the previously mentioned frameworks by incorporating additional factors. These include the influence of non-employed family members on business decisions, the emotional outcomes of relationships between stakeholder groups within the firm, and the 11th dimension, the so-called *global SEW*, which synthesizes and integrates the previous ten categories into a comprehensive measure.

#### 4.2.2. Conceptualizing internationalization

As a consequence of globalization and the information revolution, companies that possess non-stationary resources can enhance their competitiveness by successfully expanding their operations across broader geographical regions. (Narula & Verbeke, 2015). Researchers examine the internationalization of firms along two main questions: how and why does internationalization occur. (Czakó & Reszegi, 2010).

The examination of the first question includes lifecycle or stage models, such as the Uppsala model (Johanson & Vahlne, 1977), which conceptualizes internationalization as a progressively deepening process. According to this model, internationalization begins with ad hoc exporting, which later evolves into sales through agents. As business volume increases, the firm establishes its own sales network, ultimately leading to foreign direct investment (FDI) as the final stage of the process. This process model provides a representation of the most common internationalization path for family firms. (Pukall & Calabrò, 2014). Another approach relevant to the family business sector is the born global theory, which posits that some firms operate in international markets from the moment of their inception or very shortly thereafter. Additionally, the business network model is becoming increasingly influential, suggesting that firms operate as members of both formal and informal networks. According to this model, companies with international elements in their network affiliations are more likely to embark on the path of internationalization. (Johanson & Vahlne, 2009). Finally, holistic models take a broader perspective on internationalization, considering multiple factors in the process of becoming international. (Welch & Luostarinen, 1988).

To understand why firms internationalize, researchers often apply Hymer's market power approach, which suggests that a firm must possess a unique and exclusive advantage that enables it to offset the costs and risks associated with entering a foreign market. (Hymer, 1977). Secondly, internalization models explain internationalization by suggesting that firms operate most efficiently when they retain as much of their activities as possible within the organization,

rather than conducting them through market transactions. (Hennart, 2001; Rugman, 1980). Thirdly, the knowledge-based approach, initiated by Prahalad (Prahalad & Hamel, 2006), attributes a firm's international competitive success to its core competencies. Fourthly, the eclectic paradigm (also known as the OLI framework—Ownership-specific advantages, Location-specific advantages, and Internalization-specific advantages) examines internationalization by synthesizing these three dimensions (Dunning, 1980).

#### 4.2.3. The Relationship between the Two in the context of Family Firms

A significant proportion of the tens of thousands of multinational companies worldwide are small and medium-sized enterprises (Czakó & Reszegi, 2010). Therefore, despite the widely held belief that family firms are risk-averse and primarily operate in local markets, they are not exempt from the challenges of internationalization. (Kano et al., 2021). As mentioned in the previous chapters, family firms typically follow the Uppsala model, progressing step by step along the path of internationalization. However, some family firms adopt a born global approach, internationalizing from the outset. (Kontinen & Ojala, 2012). The developers of the Uppsala model later identified two primary ways in which internationalization impacts a firm's operations. First, firms integrate the experience gained in international markets into their everyday activities. Second, they seek to adjust their level of commitment to strengthen their network position. (Johanson & Vahlne, 2009).

When choosing a mode of internationalization, family firms are more likely to opt for greenfield investments rather than acquiring existing businesses. (Boellis et al., 2016). This decision is influenced by the attitude toward family businesses in the home and/or host country. A positive perception of family firms increases the likelihood of establishing greenfield investments. (Lyons et al., 2024). From another perspective, when establishing FDI, family firms tend to prefer full ownership over joint ventures due to concerns about maintaining family control and preserving SEW. Paradoxically, they choose a riskier entry mode as a means of mitigating their own perceived risks. (Metsola et al., 2020). However, in cases where an acquisition does take place, family-controlled firms tend to target lower-risk markets and prioritize the preservation of SEW, whereas non-family-managed firms exhibit greater boldness in their transaction decisions (Calabrò et al., 2024).

When specifically examining the internationalization of family firms, there are push and pull factors that influence this process. (Lohe et al., 2021). Authors categorize push factors into three main groups: (1) strategic drivers, such as access to critical resources; (2) competitive

forces, which may include strategic alliances or collaborations; and (3) family needs, where the tension between the desire for family control and the financial opportunities offered by international markets emerges as part of the broader SEW framework and its additional dimensions. This perspective is supported by other scholars who highlight that a distinctive characteristic of family firm internationalization is the simultaneous presence of both economic and non-economic considerations in their decision-making process (Debellis, De Massis, et al., 2021). The second category includes: (1) attractive locations, (2) the opportunity to participate in networks and alliances, such as through relatives residing in the host country, and (3) first-mover advantages, as entering a market early allows firms to operate without competition.

Beyond these two categories, authors have also identified factors that support or limit the internationalization of family firms. According to their perspective, internationalization is facilitated by the flexible organizational structure of family firms, their simple and rapid decision-making processes, and their long-term orientation, which characterizes both their internal operations and their external partnerships. This long-term orientation reduces agency problems through the altruism characteristic of family firms and facilitates swift decision-making (Chen et al., 2014). However, a heightened fear of uncertainty may lead to the recruitment of external members with greater international experience and better access to critical resources, which can contradict the altruistic behavior typically associated with family firms. (Zattoni et al., 2015). This can be further supplemented by the presence of family management alongside family ownership, as firms are more likely to pursue internationalization when both are present (Zahra, 2003). In contrast, when family ownership exists without family involvement in management, the primary focus tends to shift toward protecting SEW rather than international expansion. (Alessandri et al., 2018). However, internationalization is hindered by the attachment to control and the reluctance to embrace the uncertainty associated with entering international markets, driven by the desire to safeguard the financial security of socioemotional wealth.

The internationalization of family firms can occur through (1) a cautious, gradual entry into new markets or (2) rapid expansion across multiple markets. The former involves a step-by-step market expansion, while the latter means direct expansion. The configurational approach assumes that this process is influenced by different combinations of factors, such as family control, corporate lifecycle, industrial environment, and firm size, among others. Based on this perspective, three distinct configurations can be identified (Kraus et al., 2016), each predicting successful internationalization:

Type of Configuration	Configuriopn characteristics
<b>Family dominant enterprise</b>	high family control strong SEW level incremental internationalization
<b>Market-oriented enterprise</b>	low family control low SEW level rapid and aggressive international market expansion
<b>Innovation-Driven enterprise</b>	low family control high innovation skills flexibility in strategic decisions

Table 1: Own Compilation Based on Kraus et al (2016)

It is important to note that these three types are all characteristics of family firms.

### 4.3. Research method

In 2024, the Corvinus Center for Family Business at Corvinus University of Budapest, in collaboration with Opten and the Association for Succession (Grémium az Utódlásért Egyesület), launched a research study among Hungarian family and non-family firms titled Assessment of the Professionalization Level of Domestic Privately-Owned Enterprises. The study also included questions related to internationalization and socioemotional wealth. The vast majority of the 145 respondents identified themselves as family businesses, providing a sufficient dataset for our analysis. We defined the scope of the companies included in the study based on the Corvinus Center for Family Business definition of family firms. On the one hand, it is required that the company identifies itself as a family business, and on the other hand, at least 50% of ownership must be held by one or two family members. As a result, we obtained a sample of 117 firms, which was analyzed in the course of the study.

Total respondents	Family firm	Non-family firm
<b>n=145</b>	117 (80,69%)	28 (19,31%)

Table 2: Companies Included in the Research (Own Compilation)

The companies in the sample are evenly distributed across the service (n = 31, 26.50%), industry (n = 44, 37.61%), and trade (n = 40, 34.19%) sectors. The youngest company was founded two years ago, while the longest-operating firm has been in business for 46 years. The average age of the firms in the sample is 27.85 years (SD = 8.58). The majority of the surveyed firms have a top management team of fewer than five members (n = 97, 82.91%). In most cases, two family members participate in top management (n = 61, 52.14%). The primary executive,

in nearly all firms in the sample, is a family member (n = 113, 96.58%). Additionally, in almost half of the firms, at least one family member is employed in a non-executive position (n = 56, 47.86%). Moreover, 37.61% of the firms (n = 44) have already undergone at least one generational transition.

#### 4.3.1. Definition of Variables and Descriptive Statistics

As the initial step of the analysis, we created variables to measure the SEW dimensions and define international activity, in alignment with the two central aspects of the research. The following subsection documents this methodology and presents the newly constructed variables using descriptive statistical tools.

##### 4.3.1.1. SEW dimensions

The questionnaire items must be linked to the respective categories of the FIBER scale. After filtering these items, we identified four groups of questions. Some function as entry requirements, meaning that if a firm does not meet these criteria, it is not classified as a family business. Consequently, responses from such firms are not relevant for further analysis in the context of our study.

To determine the values of the FIBER scale, we developed a calculation model based on the research data and the recommendations of the original authors. The following table provides an overview of this model.

<i>FIBER dimension</i>	<i>Measurement method</i>	<i>Evaluation</i>
Family control and influence	Proportion of family executives in top management / total top executives	Weighted arithmetic mean: 80% – obtained percentages transformed to a 1 to 7 scale
	Existence, maturity, and application of family constitution	10% - obtained responses transformed to a 1 to 7 scale
	Existence, maturity, and functioning of family council	10% - obtained responses transformed to a 1 to 7 scale
Identification of family members with the firm	9 items (1 to 7 scale)	Means of the values assigned to the given items
Binding social ties	7 items (1 to 7 scale)	
Emotional attachment	4 items (1 to 7 scale)	
Renewal of family bonds	3 items (1 to 7 scale)	Means for: Means of the values assigned to the given items
	3 multiple-choice questions	obtained responses transformed to a 1 to 7 scale

Table 3: Development of the Measurement Dimensions of the FIBER Scale (Own Compilation)

Figure 1 illustrates that the family firms in the sample exhibit similarly high levels of “Social Ties” and “Family Business Identity.” In contrast, they show lower levels of “Emotional Attachment,” “Renewal of Family Bonds to the Firm Through Dynastic Succession,” and “Family Influence and Control.”

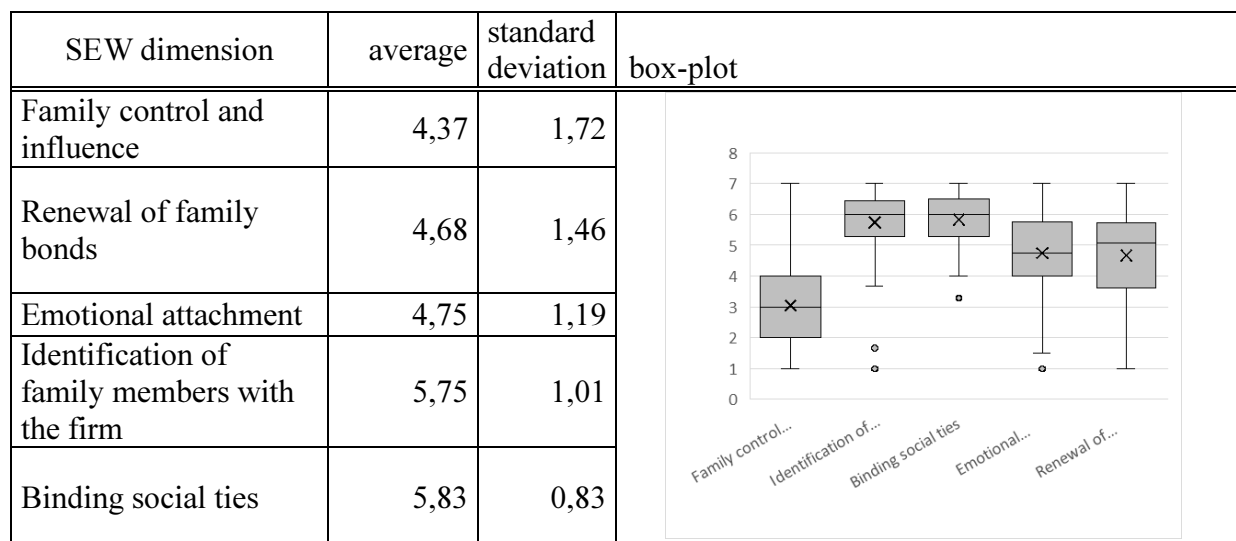


Figure 1: Means and Standard Deviations of SEW Dimensions in the Sample with Box Plots (Own Compilation)

#### 4.3.1.2. International activity

The questionnaire provided six response options regarding the respondents' international presence, allowing them to select multiple options simultaneously. Table 4 presents how we categorized international presence into three analytical categories and the distribution of responses within these categories. These three categories exhibit ordinality, enabling us to measure the depth of internationalization. The first level represents the absence of direct internationalization, while the highest level corresponds to internationalization through a firm's own subsidiary.

Original questionnaire category	Analytical category	n	%
Not present in international market	Non-international	41	35,04
Not present in international market, indirect presence as supplier of exporting firm			
Indirect presence as supplier of exporting firm			
Indirect presence as supplier of exporting firm, as exporter	Exporter	61	52,14
As exporter, through joint venture	Own firm	15	12,82
As exporter, through joint venture, through own enterprise(s)			
As licensor or franchisor			
Through own subsidiary/subsidiaries: indirect presence as supplier of exporting firm: as exporter			
Through own subsidiary/subsidiaries			

Table 4: Method of Constructing Internationalization Categories and Their Distributions (Own Compilation)

#### 4.3.2 Research approaches

##### 4.3.2.1. SEW dimensions in relation to the firm's international activity

According to the international presence, we first examined the normality of the SEW dimensions. The Shapiro-Wilk test indicated a violation of normality in at least one internationalization group for each dimension; therefore, the comparison of dimensions across groups was conducted using the non-parametric Kruskal-Wallis test.

SEW dimension	Internationalization groups	Mean	SD	Kruskal-Wallis H	p
Family control and influence	Non-international	4,91	1,68	9,14	0,010
	Exporter	4,20	1,69		
	Own firm	3,59	1,60		
Identification of family members with the firm	Non-international	5,81	1,07	1,62	0,446
	Exporter	5,67	0,98		
	Own firm	5,91	0,95		
Binding social ties	Non-international	5,89	0,78	0,63	0,730
	Exporter	5,77	0,87		
	Own firm	5,93	0,86		
Emotional attachment	Non-international	5,03	1,17	5,48	0,065
	Exporter	4,53	1,16		
	Own firm	4,88	1,27		
Renewal of family bonds	Non-international	4,93	1,30	3,06	0,217
	Exporter	4,46	1,53		
	Own firm	4,87	1,54		

Table 5: Characteristics of SEW Dimensions by Internationalization Groups (Own Compilation)

According to the Kruskal-Wallis test, there is a significant difference between internationalization groups regarding the SEW dimension "Family Influence and Control" ( $H(2) = 9.14$ ,  $p = 0.010$ ). Additionally, at the 10% significance level, a difference is also observed in the SEW dimension "Emotional Attachment" ( $H(2) = 5.48$ ,  $p = 0.065$ ). However, no significant differences were identified concerning the dimensions "Family Firm Identity," "Social Ties," and "Renewal of Family Bonds to the Firm through Dynastic Succession" (Table 5).

Regarding the "Family Influence and Control" dimension, post-hoc tests revealed significantly higher values ( $t = 2.60$ ,  $p = 0.028$ ) among firms that do not engage in international activities ( $M = 4.91$ ,  $SD = 1.68$ ) compared to those firms conducting international operations within their own enterprise ( $M = 3.59$ ,  $SD = 1.60$ ). Furthermore, at the 10% significance level, it can also be concluded that firms without international operations report significantly higher control ( $t = 2.09$ ,  $p = 0.096$ ) compared to exporting firms ( $M = 4.20$ ,  $SD = 1.69$ ). This relationship is illustrated in Figure 2 below.

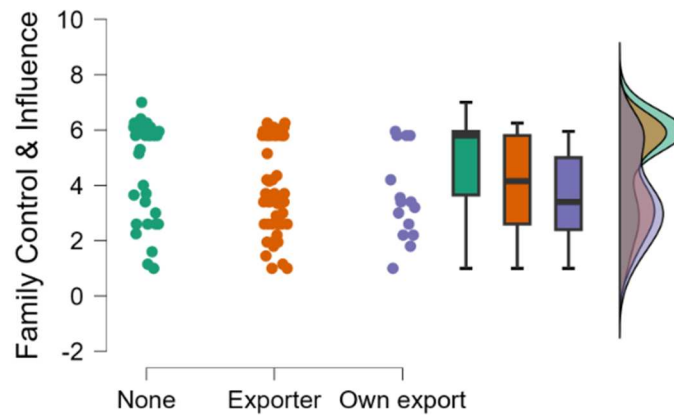


Figure 2: Distribution of Family Influence and Control by Groups (Own Compilation Using JASP)

Regarding the dimension "Emotional Attachment," post-hoc tests revealed at a 10% significance level that firms not engaged in international activities ( $M = 5.03$ ,  $SD = 1.17$ ) reported significantly higher values ( $t = 2.11$ ,  $p = 0.093$ ) compared to exporting firms ( $M = 4.53$ ,  $SD = 1.16$ ). No significant differences were confirmed between the other groups. This relationship is illustrated in Figure 3 below.

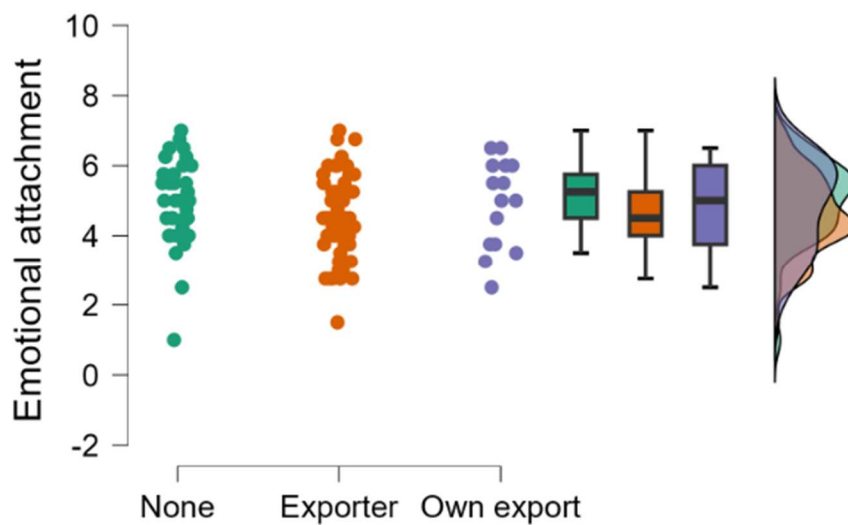


Figure 3: Distribution of emotional attachment by groups (Own compilation using JASP)

#### 4.3.2.2. Firm clusters Based on SEW Dimensions

Clusters were distinguished based on SEW dimensions using hierarchical cluster analysis with Ward's method. As a result, four clusters were identified, each characterized by distinct relationships to family influence, identity, emotional attachment, and social ties. These clusters are described below and illustrated in Figure 4.

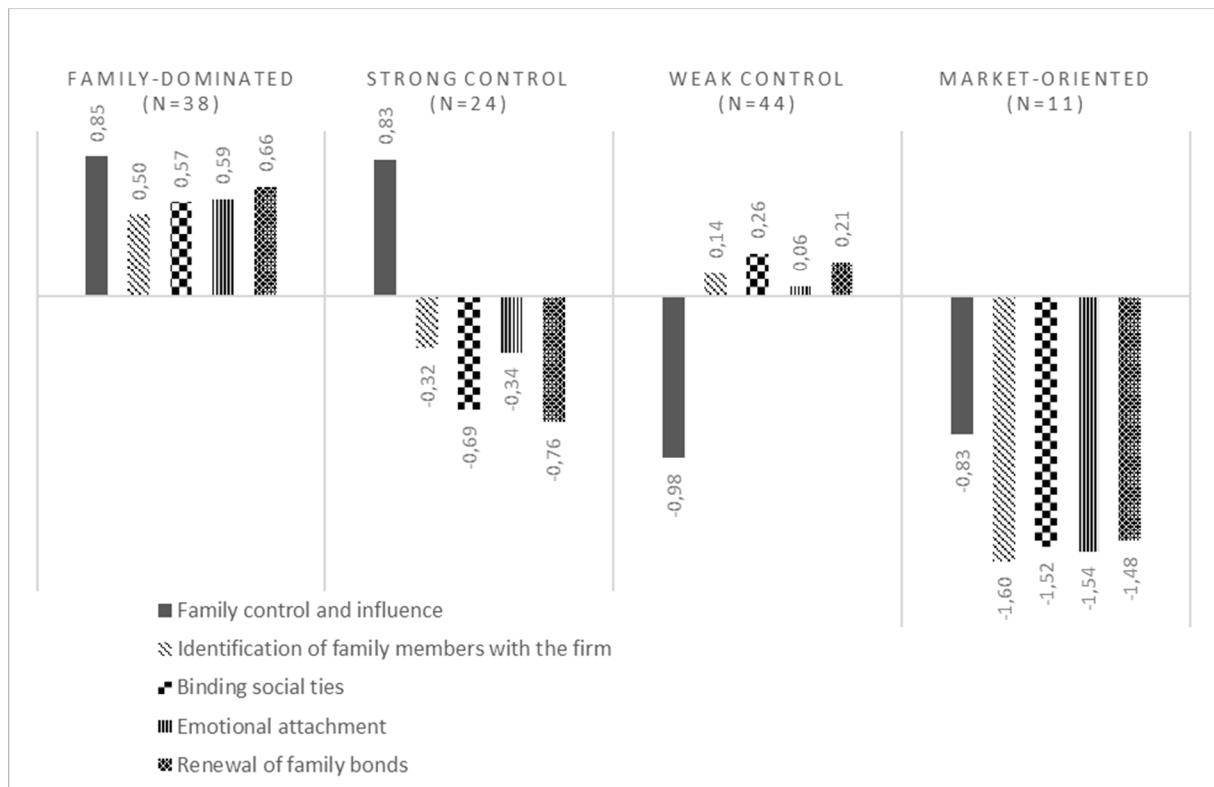


Figure 4: Cluster Centroids of SEW Clusters (Own Compilation Using JASP)

#### *Family-Dominated Firms (n = 38)*

This group exhibits strong family influence and control, along with above-average values in family firm identity, social ties, emotional attachment, and dynastic renewal of family bonds. Firms within this cluster are under strong family management, with the family playing a decisive role. This cluster is mainly balanced among services (n = 13), industry (n = 12) and commerce (n = 12).

#### *Strong control (n = 24)*

In this cluster, family influence and control are above average (comparable to the Family-Dominated cluster), whereas the other SEW dimensions (family identity, emotional and social ties, and dynastic renewal) exhibit below-average values. Thus, these firms maintain strong family control but show weaker emotional and social bonds, as well as lower levels of family identity. Strong control firms have the highest ratio in the commerce industry (n = 11, 47.83%), while the weakest is in services (n = 2, 8.70%).

#### *Weak control (n = 44)*

This cluster is characterised by below-average family influence and control, while other dimensions can be considered average. The family is involved in firm operations but is less

dominant in management. The cluster has similar characteristics in the industrial setting to the family-dominated cluster, but the ratio of industry is higher (n = 19, 44.17%).

*Market-Oriented Firms (n = 11)*

All SEW dimensions in this cluster are below average, indicating minimal family control, as well as weaker emotional, social, and identity-related ties. Firms in this cluster deviate significantly from typical family firm characteristics. The cluster is similar to the strong control cluster in the industrial context, as services are a low ratio (n = 2, 18.18%) while commerce is a high ratio (n = 5, 45.45%).

Sew clusters and industrial orientation have no significant relationship ( $\text{Khi}^2(6) = 6.27$ ,  $p = 0.394$ ) (Figure 5).

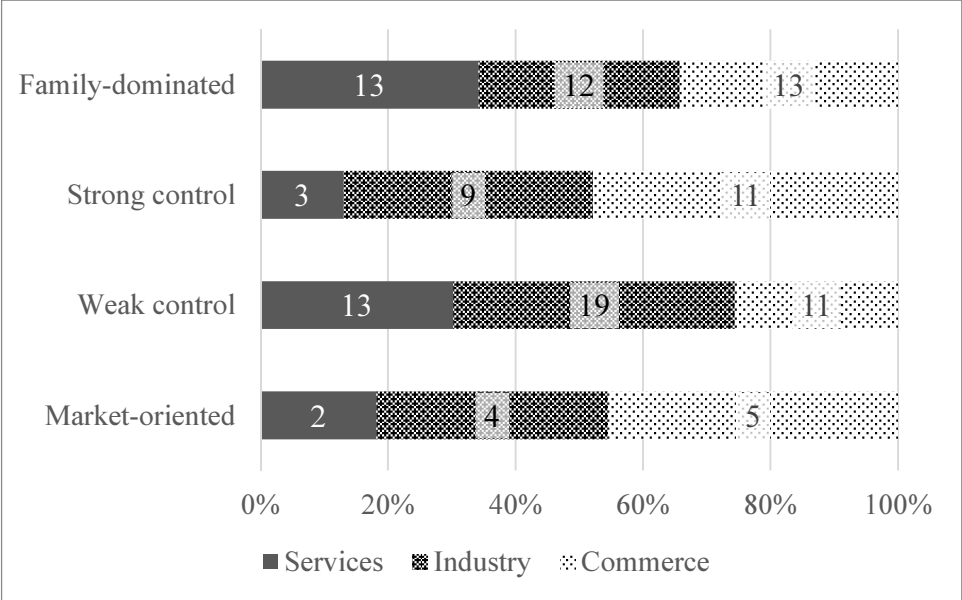


Figure 5: SEW Cluster and industry (Own Compilation Using JASP and Excel)

4.3.2.3. SEW Clusters and International Activity

These clusters were further analyzed concerning internationalization using crosstabs analysis. The association between clusters and international presence was confirmed at a 10% significance level ( $\chi^2(6) = 11.51$ ,  $p = 0.074$ ,  $V = 0.22$ ).

Figure 5 indicates that among non-exporting firms, Family-Dominated firms are predominant (n=19, 46.34%), while firms with Weak Control also constitute a significant portion of domestically-oriented firms (n = 12, 29.27%). The exporting group is dominated by the Weak Control cluster (n = 23, 37.70%), with Strong Control (n = 14, 22.95%) and Family-Dominated firms (n = 16, 26.23%) also present in this group. Firms conducting international

operations through subsidiaries, licensing, or franchising abroad predominantly belong to the Weak Control cluster (n = 9, 60.00%), indicating a higher proportion of firms where family roles in management are least pronounced.

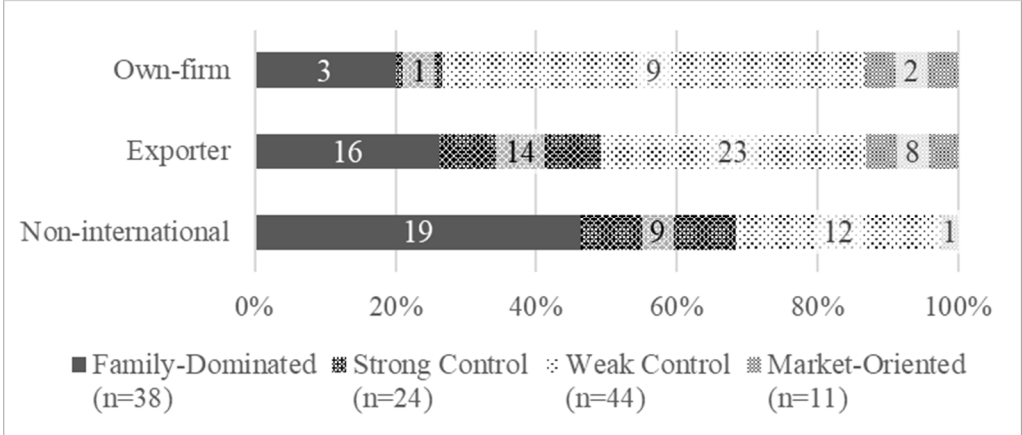


Figure 6: Distribution of groups by international activity according to SEW clusters (Own Compilation)

4.2.3.4. The Role of Enterprise Size in SEW Clusters

The size of the enterprise has shown a significant association with the SEW clusters ( $Khi^2(9) = 39.92, p < 0,001$ ).

Family-dominated cluster dominates the micro (n = 6, 42.86%) and small (n = 28, 43.75%) sizes, while in medium-sized enterprises, they have a minor presence (n = 4, 19.67%), and in large enterprises, they are absent.

Strong control cluster is relatively balanced across micro enterprises (n = 4, 28.57%), small enterprises (n = 13, 20.31%), and medium-sized enterprises (n = 6, 25.00%), with a minor presence in large enterprises (n = 1, 6.67%).

Weak control exhibits characteristics opposite to those of family-dominated clusters, with the strongest participation in large enterprises (n = 13, 68.67%) and a moderate presence in medium-sized (n = 9, 37.50%) and small (n = 22, 34.38%) companies, while being absent in micro companies.

Market-oriented SEW cluster has a weak presence in small-sized companies (n = 1, 1.56%) and large enterprises (n = 1, 6.67%), and a medium presence in medium-sized companies (n = 5, 20.83%) and micro-sized enterprises (n = 4, 28.57%).

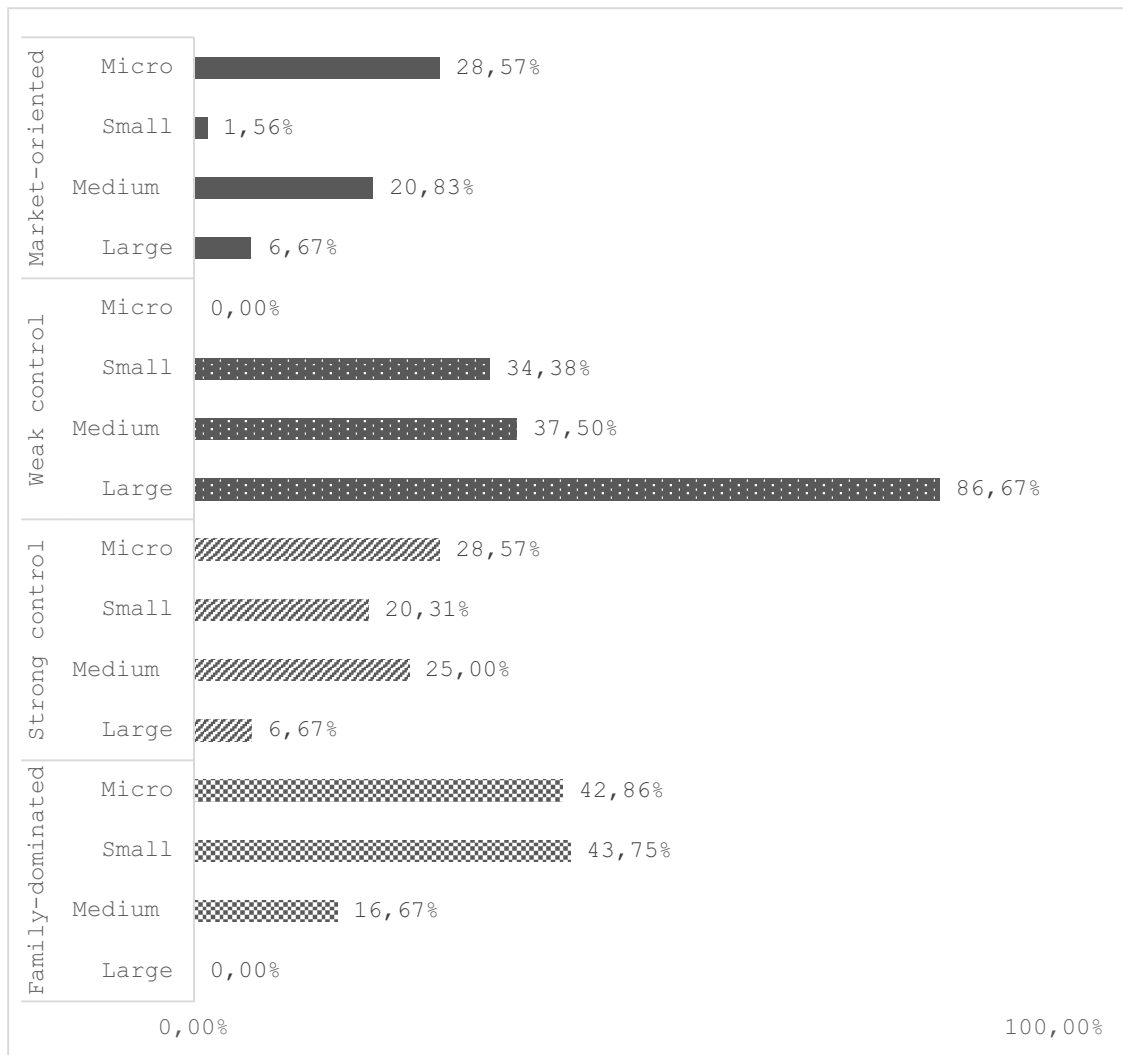


Figure 7: Proportion of SEW Clusters Within Each Company Size

#### 4.3.2.5. The Impact of Firm Age and Transgenerational Succession on Internationalization

Firm age was analyzed across internationalization groups using ANOVA. Firm age showed a significant difference at the 10% significance level according to the type of international presence,  $F(2, 107) = 2.53, p = 0.085$ . Non-exporting firms had a mean age of 28.02 years ( $SD = 9.02$ ), whereas exporting firms were slightly older,  $M = 29.63$  years ( $SD = 7.78$ ). Firms operating internationally through subsidiaries, licensing, or franchising were the youngest,  $M = 25.93$  years ( $SD = 9.40$ ).

A Mann-Whitney test was conducted to examine if generational succession significantly impacts various SEW dimensions. Results indicated no significant differences between firms that experienced generational succession and those that did not regarding family influence and control ( $U = 1661.00, p = 0.757$ ), family firm identity ( $U = 1696.50, p = 0.612$ ), social ties ( $U = 1540.50, p = 0.714$ ), or emotional attachment ( $U = 1684.00, p = 0.662$ ). However, a significant

difference emerged in the dimension related to the dynastic renewal of family bonds ( $U = 1980.00, p = 0.035$ ), suggesting stronger commitment among firms that underwent generational succession, although this association is considered rather trivial. SEW clusters and generational succession have no significant relationship ( $Khi^2(3) = 3.69, p = 0.297$ ). In the sample, Family-dominated ( $n=18, 47.37\%$ ) and Weak control ( $n = 17, 38.64\%$ ) clusters have a slightly higher ratio of succession (Figure 6).

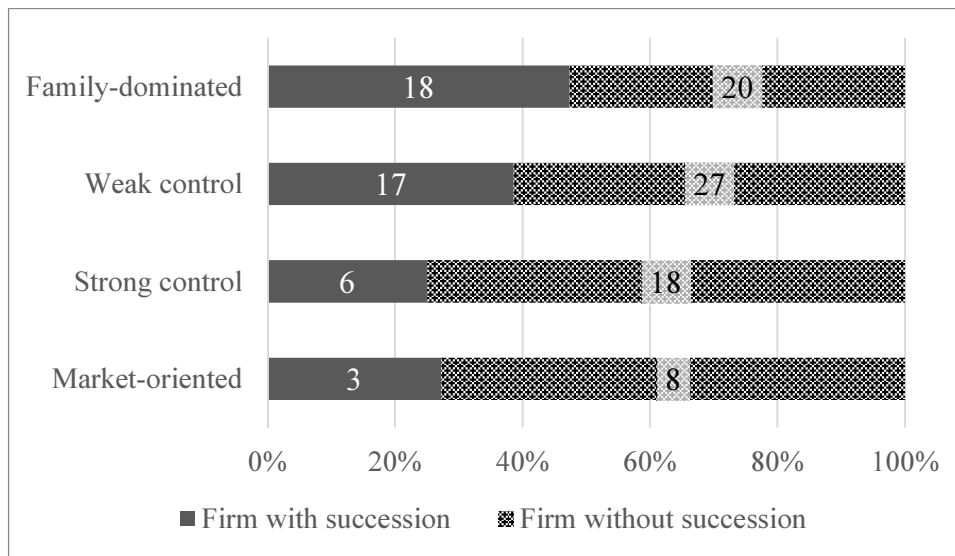


Figure 8: Distribution of firm succession by SEW clusters (Own Compilation)

#### 4.4 Conclusions and Summary

In this study, we analyzed relevant data from the 2024 research study titled *Assessment of the Professionalization Level of Domestic Privately-Owned Enterprises*, conducted by the Corvinus Center for Family Business at Corvinus University of Budapest among Hungarian firms. We structured the analysis by constructing the five measurement dimensions of SEW based on the FIBER scale, derived from the respondents' answers. Additionally, we classified firms into three analytical groups based on their level of internationalization.

Our key finding is that there is an inverse relationship between the depth of internationalization and the strength of family influence and control. Expanding on this, the significant difference in the level of “Family Influence and Control” among the three internationalization groups can be explained by the fact that leaders who seek to exercise strong control—and are unable to ease it—find it unacceptable to operate in a way or within a business segment that they cannot personally oversee on a daily basis. However, any form of entry into international markets physically prevents this level of supervision. This conclusion is further

reinforced by the finding that the greatest difference in “Family Influence and Control” exists between firms with no direct international presence and those that internationalize through their own foreign subsidiaries. Exporter firms fall between these two groups.

This finding is further reinforced by our cross-tabulation analysis between the clusters and internationalization. When naming the four identified clusters, we partially drew upon the concluding insights from the chapter on internationalization (Kraus et al., 2016). The description of the first cluster aligns well with their characterization—despite the fact that their clusters were formed based on entirely different factors—featuring high family control values, strong SEW, and a gradual internationalization process (members of this category appear, to varying degrees, across all internationalization groups). In contrast, our fourth cluster can be described as the market-oriented firms group, characterized by low family control, low SEW values, and a rapid and aggressive internationalization process. Notably, 10 out of the 11 firms in this cluster are engaged in some form of internationalization. The two intermediate clusters are characterized by SEW values close to the average, but with significantly higher or lower family influence and control values than the average, which serves as the basis for their naming. The findings support the interpretation of the preceding analyses by demonstrating that firms with stronger-than-average family business characteristics (family-dominant firms) are most prevalent in the non-internationalized group. Conversely, firms with average family business characteristics, but with significantly lower-than-average family control values, dominate the category of firms that have internationalized through their own foreign subsidiaries.

Furthermore, a statistically significant relationship can be observed between cluster membership and firm size. The Family-Dominated cluster—characterized by the highest levels of socioemotional wealth (SEW) across all FIBER dimensions—shows a clear decline in representation as firm size increases: while it includes numerous micro and small enterprises, it contains no firms in the large enterprise category. In contrast, the Weak Control cluster overwhelmingly dominates the large firm category, and its presence gradually decreases as we move toward smaller firms, with no micro-enterprises included in this group. These two clusters represent the highest and lowest values of the Family Influence and Control dimension (0.85 vs. -0.98), respectively. Consequently, it can be concluded that within our sample, this SEW dimension serves as a key differentiator in the relationship between firm size and cluster classification. A clear pattern emerges: smaller firms exhibit significantly stronger family influence and control than larger firms.

Whether this implies that strong family control inherently limits firm growth, or that the expansion of the firm necessarily weakens the family's influence, remains difficult to determine.

It is likely that both interpretations hold partial truth and may coexist. On one hand, strong family control has natural limits: the family can only process a finite amount of information. If the increasing size of the firm leads to a level of complexity that exceeds this cognitive threshold—due to a larger volume of decisions and information—then a loosening of control becomes inevitable. On the other hand, if the desire to maintain strong family control persists despite growth, decision-making processes tend to slow down, ultimately impeding or constraining the company's development.

This strong control could be explained by the fact that the desire for oversight is particularly pronounced among first-generation business leaders. This phenomenon gains additional significance in the Central and Eastern European historical context, where family businesses only had the opportunity for a fresh start in the 1990s. As a result, firms founded during this period have been reaching the first generational transition phase in the 2010s and 2020s. However, when we examined whether generational transition was more prevalent among firms that had entered international markets, the results did not indicate a striking difference between the internationalization groups.

Similarly, the results of our sample do not support a strong relationship between firm age and internationalization, as only minimal differences can be observed across the three internationalization categories. Notably, the youngest firms are not those without direct internationalization, but rather those that have international presence through their own subsidiaries. A possible explanation for this is that newer firms may be led by a higher proportion of individuals who, rather than having a technical background, have acquired business management knowledge through emerging management education programs. This may enable them to enter international markets earlier and more strategically.

In summary, our results indicate that the depth of international market entry and the strength of family influence and control move in opposite directions. However, this relationship appears to be independent of generational stage, firm age, or the industry in which the business operates.

The other, less pronounced difference is observed in the “Emotional Attachment” category. Since this dimension does not refer to a static state, but rather to the role of emotions within the context of a family business—particularly their influence on decision-making mechanisms—it is understandable that firms focusing exclusively on the domestic market experience a different dynamic. For these firms, whose operations are not structured around heterogeneous territorial divisions but rather functional roles, conflicts of interest within family business leadership tend to be more intense and frequent, manifesting as a daily challenge (a

phenomenon known as functional egoism). In contrast, for firms where territorial division serves as the organizing principle of operations, autonomy in managing individual divisions contributes to effective decision-making and overall operational efficiency.

This also explains why the “Internationalizing Through Own Subsidiary” firms show an increase in this value. At this level, divisional autonomy can lead to division egoism, which in turn reinforces conflicts between the company's headquarters and divisional management. However, these conflicts are not as intense as those observed in firms that do not engage in direct internationalization.

Furthermore, our results indicate that no significant differences can be identified across the three groups in relation to “Family Business Identity,” “Social Ties,” and “Transgenerational Succession Intent” in the context of internationalization.

Considering the above, the empirical results lead us to a partial acceptance of our hypotheses, as summarized in Table 6.

Hypotheses	Conclusion
H1	Accepted
H2	Rejected
H3	Rejected
H4	Partially accepted
H5	Rejected

Table 6: Hypotheses in Light of the Research Findings (authors’ own compilation)

#### 4.5 Theoretical contribution

Our study offers several theoretical contributions. (1) The research enhances the understanding of family firm internationalization through the SEW dimensions that define the family business identity. It partially confirms previous theories, such as the restrictive effect of “Family Influence and Control” on internationalization (Lohe et al., 2021). However, it also extends existing knowledge by identifying variations in the strength of “Emotional Attachment” across internationalization groups. (2) Linking the dimensions of SEW, as defined by the FIBER scale, with the depth of internationalization within the family business context contributes to the advancement of the field and identifies new research directions. (3) Beyond highlighting and explaining these differences, an important contribution of our study is that it draws attention to the fact that “Transgenerational Succession Intent”—the intention to transfer both ownership and leadership within the family—remains consistently present in family businesses regardless

of their level of internationalization. Similarly, this holds true for “Family Business Identity”, which remains consistently strong regardless of international expansion, as well as for “Social Ties”. The findings suggest that entering international markets does not alter the perspective through which family business leaders view and engage with their partners.

#### 4.6 Practical implications

Since our findings indicate that the pursuit of total control acts as a barrier to a firm's integration into the global economy—and consequently to its growth—this approach may ultimately become self-defeating, undermining both the firm's SEW and overall performance. Therefore, we recommend that leaders shift away from personally exerting full control and instead surround themselves with well-trained and trustworthy professionals. By delegating responsibilities, they can reduce their own workload and allocate their freed-up time to further developing the company, rather than being constrained by limiting micromanagement practices. A suitable and bridging solution to this challenge could be the internal professionalization of the family business—specifically, by training a family member to lead international expansion. This approach offers two key advantages: First, it provides an ideal platform for acquiring and developing leadership experience while ensuring that internationalization does not create a trust vacuum, as the project remains within the family. Second, a successful internationalization process can also serve as a succession alternative, preparing a qualified individual for the future leadership transition. (Szabó, 2023). *Non venit ante suos prudentia nobilis annos!*

#### 4.7. Limitations and future research

The research is constrained by the need to apply simplifications and aggregations in certain categories to achieve a conclusive outcome. One such example is the classification of internationalization levels, where we condensed nine possible constellations into three groups. Additionally, regarding internationalization, the study does not examine the extent of a firm's presence abroad—whether through its own subsidiary, a joint venture, or as an exporter—nor does it consider which markets are involved, the geographical coverage of these markets, the distances between them, or their proximity to the home country.

Another limitation of the research is the lack of a standardized, validated measurement tool for assessing the strength of SEW. Consequently, we had to develop our own measurement approach, incorporating the recommendations of the FIBER scale's original authors.

Future research directions include a more refined examination of the subgroups within the internationalization categories, which could lead to a deeper understanding of how different forms of internationalization function and their specific impact on SEW . Additionally, promising insights could emerge from integrating existing findings with geographical data or analyzing them within an industry-specific context.

In the future, there is an opportunity to enrich the existing data qualitatively, for instance, by conducting interviews with business leaders or developing case studies. These qualitative methods could provide deeper insights and a more nuanced understanding of the findings obtained through quantitative analysis.

Finally, we see significant potential in expanding the research to include Central and Eastern European countries, as the largely shared historical and geopolitical environment presents similar challenges for family business participants in Poland, the Czech Republic, and Slovakia. However, it remains an intriguing question to explore the differences that may exist among these markets and to what extent these variations can be attributed to cultural differences.

## **5. SUMMARY OF RESULTS, INTEGRATIVE MODEL**

In the concluding chapter of the dissertation, I summarize the findings of my research and, based on these results, develop an integrative theoretical model.

In the first article of the dissertation (Chapter 2), I examine the challenges faced by family enterprises through the relationship between internationalization and innovation, identifying the primary thematic areas in the existing literature, and highlighting the ambivalent relationship between socioemotional wealth and entrepreneurial orientation within family firms. Finally, through my applied model, I propose a method for reconciling these elements and aligning them with the overarching objectives of family enterprises.

In the second article (Chapter 3), I conduct a systematic literature review to thoroughly investigate the impact of socioemotional wealth (SEW) on entrepreneurial orientation (EO), examining individually and collectively the five dimensions of EO (Lumpkin & Dess, 1996) and the FIBER scale components of socioemotional wealth (Berrone et al., 2012b). Beyond analyzing their general interconnections, the article also identifies various moderating factors external to these concepts. Moreover, drawing on this theoretical framework, I propose a strategy for practically implementing the findings.

In the third article (Chapter 4), I employ quantitative methods in a large-sample study to examine socioemotional wealth dimensions in relation to varying degrees of internationalization among family firms. The analysis successfully identifies which SEW dimensions demonstrate the most significant differences across different levels of international commitment, as well as those dimensions showing no significant variance at these stages. Based on the developed SEW profiles, I further identify four distinct clusters, clarifying the nuances between them.

For a comprehensive overview and summary of these studies, the table presented below provides details on main findings of each article and their research limitations. In the subsequent chapter, I present—both narratively and visually—a theoretical model developed from the knowledge base of these three articles. To facilitate comprehension and acceptance of the proposed model, I utilize historical metaphors, which appear throughout the dissertation, framed within a historical context. Finally, I outline several potential avenues for future research.

<b>SYNTHESIS CRITERIA</b>	<b>1. ARTICLE</b>	<b>2. ARTICLE</b>	<b>3. ARTICLE</b>
<b>MAIN RESULTS</b>	Development of a practice-oriented model to address the constraining effects of Socioemotional Wealth (SEW) on entrepreneurial orientation and innovation during the internationalization of family firms.	Creation of an integrated model exploring the interrelationships between SEW, entrepreneurial orientation (EO), and family firm performance.  The Walking Dead Strategy	Identifying patterns in FIBER dimensions based on different levels of internationalization.  Formation and characterization of four SEW-based clusters.
<b>LIMITATIONS</b>	Quantitative validation is not conducted in the articles.  The article assumes that the opportunity for internationalization is underpinned by genuine economic and developmental potential, and it does not account for the risks associated with poorly assessed opportunities.  The recommendations are based on the assumption that multiple generations and several members within each generation are involved in the operation of the business.	The model indicates the relationships between the individual dimensions but does not demonstrate the strength of these connections.  It does not take into account the generational stage of the specific family businesses.  The model does not examine the role or characteristics of the leader.  It also omits scholarly findings that are ambiguous or excessively complex.	The article applies simplifications when forming groups to represent the depth of internationalization levels.  A key challenge is the lack of a unified and universally accepted FIBER measurement scale or methodology.
<b>JOURNAL CONFERENCE</b>	Potential sectoral, cultural, and geographical variations are not addressed in the articles.  Society&Economy 2024.05.17. Salerno: SPGC2024 Global Family Business Summit	Budapest Management Review 2024.05.04. Spring Wind Conference 2024.07.05. Nizza - IRMBAM	? 2025.05.16. Monterrey: SPGC2025 Global Family Business Summit

Table 1: Summary of Research Findings (own compilation)

## 5.1. Theoretical Integrative Model

Summarizing the findings and insights derived from the three studies comprising this dissertation, I have developed an integrative theoretical model. This model includes, but does not elaborate upon, each specific result presented in the three articles.

### 5.1.1 Model development

Summarizing the findings and lessons from the three studies constituting my dissertation, I developed a comprehensive theoretical model. Throughout my research, I gained a deep understanding of socioemotional wealth (SEW) in family firms, becoming familiar with the theoretical approaches, as well as efforts made in the literature toward its measurement and scaling. Socioemotional wealth enriches and refines the decision-making mechanisms of family firms, compelling organizational leaders toward thoroughness by ensuring that potential risks align with SEW dimensions. Based on my findings, SEW does not suppress economic rationality or restrict entrepreneurial orientation—which drives organizational growth—but instead filters its aspirations. This process proves notably beneficial for family business operations, particularly in the context of long-term sustainability and transgenerational succession, since the consideration, dispersion, and management of risks associated with growth lead to higher success rates for organizational development initiatives.

At the center of my model is entrepreneurial orientation (EO), the core motivator driving continuous organizational development. This drive fuels innovation, development, and expansions or diversifications in market presence. Among EO's dimensions, risk-taking and proactiveness are especially crucial elements fueling the engine of firm development.

Naturally, every innovation entails risk, and family firms, according to traditional perspectives, are inherently risk-averse due to their socioemotional wealth. However, based on my research and practical experience, this view does not hold entirely true. Rather, these firms make decisions more deliberately and cautiously. This distinction is also visible in my model, where entrepreneurial orientation is surrounded by the five dimensions of SEW — not suppressing it, but rather moderating and channeling it through filters specific to SEW dimensions. In the model, vector-like arrows illustrate this moderation, gradually leading firms from domestic markets toward international presence, though their trajectory cannot be arbitrary.

The model is structured concentrically, with entrepreneurial orientation (EO) placed at its core. The circle is divided into five equal segments, each representing the traditionally accepted dimensions of EO. Since the dynamics between EO and socioemotional wealth (SEW) are of decisive importance for the functioning of family firms, the second concentric ring depicts SEW and its dimensions according to the FIBER scale. The intervening “buffer zone” between the two serves to illustrate and facilitate a deeper understanding of their component-level interrelations.

For the purposes of my dissertation, the model’s boundaries extend to this point: the outer contour of SEW already indicates firm performance, which in turn can enable internationalization. Consequently, the concentric circle that almost frames the figure represents the process of internationalization itself.

### 5.1.2 Interpretation of the Figure

The interpretation is best initiated with the green and red arrows located in the central part of the model, which connect the FIBER and EO dimensions. Both their color and their exact starting and ending points carry specific meaning. Arrows originating from the FIBER ring indicate how a given FIBER dimension influences entrepreneurial orientation as a whole. Accordingly, with the exception of succession, all dimensions are shown to support entrepreneurial orientation (green arrows denote positive relationships, while red arrows denote negative ones).

Arrows starting from the inner contour of the FIBER ring illustrate how SEW as a whole affects a specific dimension of EO—for example, as shown in the figure, SEW can constrain risk-taking. In the case of Binding social ties, the arrow is bidirectional, indicating not only that Binding social ties support entrepreneurial orientation, but also that EO fosters the development of Binding social ties.

In addition, there are arrows that originate within the EO circle and terminate at the inner boundary of the FIBER ring. These signify how a specific EO component affects SEW as a whole. For instance, Competitive aggressiveness is shown to negatively impact SEW in its entirety.

Both the EO and SEW areas are encircled by outlines shaded in green or red. These outlines denote whether a given EO dimension exerts a positive or negative effect—mediated by SEW—on firm performance. The present figure illustrates that, with the exception of Innovativeness (where the relationship is ambivalent and cannot be interpreted as unequivocally

supportive), the dimensions of EO exert a positive effect on firm performance through the mediating role of SEW.

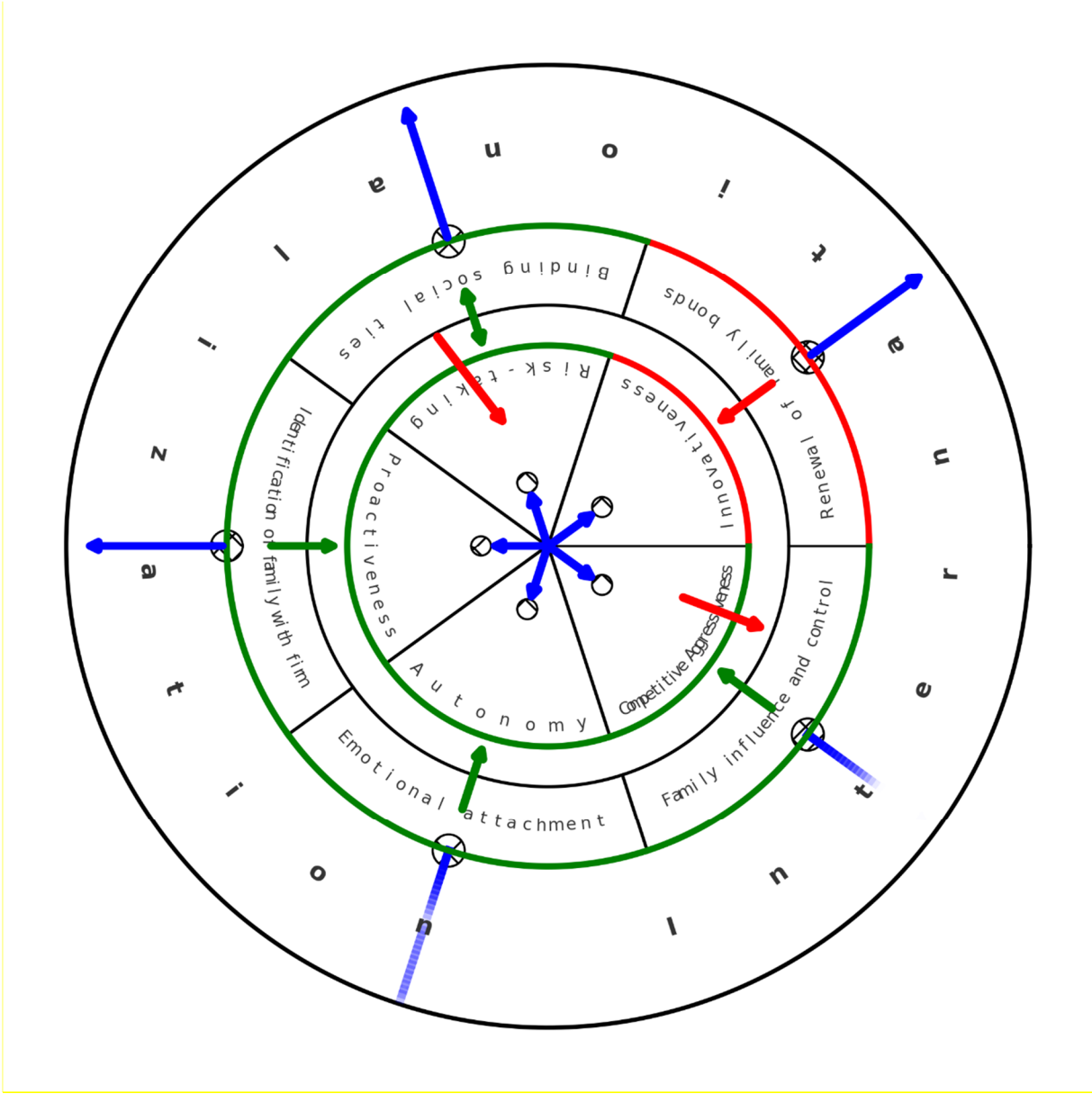


Figure 1: The Integrative Model of the Dissertation (Own Compilation)

Within the EO segments and along the outer boundaries of the FIBER ring, there are small circles with a checkered pattern. This pattern is not accidental: these circles symbolize filters. On the one hand, they represent the output points of the reciprocal influence between socioemotional wealth (SEW) and entrepreneurial orientation (EO); on the other hand, they function as risk-management filters for the ambitions of family firm functioning and development. In essence, they help maintain a predictable balance between security and growth.

These efforts are symbolized by the blue arrows, which pass through the circles and then proceed in the service of successful internationalization. In two cases, the blue arrows gradually fade outward—a visual feature with meaning in itself. Based on our results, the strengthening of international commitment is directly associated with a weakening of Family Influence and Control. A similar, though less intense, relationship—statistically significant only at the 10% level—can also be observed in the case of Emotional Attachment.

### 5.1.3 The Nature of the Relationship Between SEW and EO

SEW and EO may not appear to share a common foundation. However, our component-level analysis enables a far more nuanced understanding of their relationship. Based on the results of the integrated model and the analysis underpinning the Walking Dead Strategy, we can state that Family Influence and Control, Emotional Attachment, and Identification of Family with Firm all exert supportive effects on EO.

Taking the latter two as an example, it is easy to imagine how any human community can be strengthened by the pursuit of shared, organized activities directed toward common goals; collective purpose can serve as a powerful source of cohesion. Binding Social Ties also positively influence EO, but here the relationship is bidirectional, as EO in turn fosters stronger social ties. This should come as no surprise: the success of an internationalizing family firm positively affects its network of partners, deepening relationships and increasing the volume of their mutual exchanges.

The only SEW dimension found to restrict EO is Renewal of Family Bonds. Here we observe the motif of cautious progress, which in this context translates into the preference for preserving the secure present rather than risking the heirs' legacy on uncertain outcomes. This is consistent with the collective SEW effect that—aligned with the above—constrains Risk-Taking.

The same logic also explains why Competitive Aggressiveness negatively affects SEW as a whole. Aggressive competition can drive family firm leaders into suboptimal decisions made without sufficient deliberation, thereby undermining both the security and predictability of the firm's operations.

These findings also clarify why Innovativeness does not exert a consistently positive effect on family firm performance when mediated by SEW. Any innovation necessarily implies change, though its magnitude may vary. Change introduces uncertainty, which can paralyze performance and responsiveness in family firms oriented toward predictability. Nonetheless,

our analysis indicates that every other EO element—when mediated by SEW—positively influences family firm performance. This finding considerably reframes the interpretation of what might otherwise appear as a contradictory relationship.

Competition stimulates, preventing the firm from stagnating. Combined with autonomy and proactiveness, it drives leaders to seek opportunities to surpass their competitors. Once such pathways are identified, Risk-Taking becomes the EO dimension that provides the authorization and courage for leadership to pursue the chosen direction toward enhanced firm performance.

#### 5.1.4 The Dual Nature of Socioemotional Wealth

The dissertation has already provided multiple definitions of socioemotional wealth (SEW), and earlier I elaborated on how much of the literature traces to SEW the traditionally risk-averse behavior attributed to family firms.

In Chapter 2, I offered practical suggestions for mitigating this constraining effect, with the aim of ensuring that firms do not forgo opportunities for innovation and internationalization merely due to exaggerated concerns for security—since such avoidance could hinder their own development.

In developing the Walking Dead Strategy, I conducted a component-level analysis of the FIBER scale, created to measure SEW, examining its reciprocal interactions with the five traditionally accepted dimensions of entrepreneurial orientation (EO). This approach revealed that initial interpretations of SEW may be misleading: in most cases, the sub-dimensions of SEW and EO are capable of decisively and effectively supporting one another in pursuit of higher and more effective firm performance. This finding directly challenges perspectives that portray EO and SEW as opposing categories. If, instead, these two can be reconciled and even harnessed in the service of one another and of corporate prosperity, then this represents the dissertation's most important theoretical contribution.

I remain convinced that cautious progress and an aversion to excessive risk will continue to characterize family firm functioning. However, this does not equate to abandoning firm development. On the contrary, the very act of founding a business demonstrates that entrepreneurial orientation—with all its attributes, from risk-taking to proactiveness—is inherently present within family leadership. Because these statements carry a degree of contradiction (as reflected even in the preceding two sentences), it is worth resolving this tension.

In my view, supported by the findings presented in earlier chapters, risk management in family firms aims at establishing a balance. Families consciously recognize that the transgenerational transfer of ownership is most effectively secured by strengthening the firm to the greatest extent possible and by exploiting all rational market opportunities. This endeavor does not imply rejecting novelty or resisting international expansion. Rather, it involves the deliberate management of the uncertainties associated with such changes.

In practical terms, this means that the careful analysis of available market opportunities enables the leadership of family firms to fragment and mitigate surrounding risks and threats through proactive preparation and strategic action, thereby bringing them down to a level acceptable from the perspective of SEW. This, in turn, guarantees the family firm's capacity to sustain long-term engagement with these new strategic steps.

Undoubtedly, the most critical aspect of this process lies in transforming the family's shifting need for influence and control. Our findings show that both firm size and the level of international commitment correlate with changes in the value of control: increasing size and intensifying international engagement are accompanied by decreasing control. For family firms, this implies that corporate development requires restructuring existing control mechanisms. One potential tool, as outlined in Chapter 2, is delegating a family member to lead the international organization.

Such delegation also strengthens the dimension of Renewal of Family Bonds, as it allows for the real-time testing of a potential successor. Ideally, this successor can exercise operational leadership under appropriate empowerment, while strategic issues remain centrally supervised. Even if the successor fails in this role, the process remains beneficial to the family firm: it may prompt further training, encourage acquisition of additional experience, or even lead to the selection of an alternative successor candidate. In this way, risks are ring-fenced, and valuable lessons are still secured.

Family firm identity can also be reinforced through this mechanism, as appointing family members to leadership positions creates career opportunities within the family—even for those who had not previously considered joining the business. Social ties, meanwhile, can be managed particularly effectively if, as trends strongly suggest, internationalization proceeds through existing relationships and established networks.

Our findings, however, indicate that three SEW dimensions—Identification with the Firm, Renewal of Family Bonds, and Binding Social Ties—do not exhibit significant changes as internationalization deepens. In contrast, Emotional Attachment shows a weakening trend as

internationalization advances (assuming an Uppsala model trajectory), pointing to the gradual erosion of emotional bonds during the process of cross-border expansion.

All of this gains particular significance when evaluated through the lens of the resource-based view (RBV) (Barney, 1991). The theory posits that the long-term competitiveness of firms depends on their ability to possess and combine resources that are valuable, rare, inimitable, and non-substitutable. In the case of family firms, this manifests most clearly in what has been termed familiness (Habbershon & Williams, 1999), which encompasses socioemotional wealth (SEW), a long-term orientation, strong owner–manager commitment, transgenerational knowledge, as well as unique and close relationships with customers and suppliers.

As outlined in earlier sections, decision-making in family firms is strongly shaped by their SEW, which means that a conscious recognition and management of the above-mentioned interconnections can constitute a source of competitive advantage over other family firms. If the desire for family influence and control is moderated through deliberate self-restraint so as not to become an obstacle to successful internationalization, and if entrepreneurial orientation (EO) is approached not as a threat but as a challenge requiring careful attention, then the effectiveness of family firm operations can be substantially enhanced. Thanks to their long-term orientation—and partly to the commitment of family ownership—the success and outcomes of internationalization are evaluated across a much longer time horizon, which significantly increases the likelihood of achieving profitability.

The dissertation's second chapter devotes special attention to the phenomenon of learning by exporting (LBE), whereby firms continuously incorporate knowledge and experience gained through international activities into their operations. This process, in turn, strengthens their capabilities in line with the logic of RBV, both at the human and organizational levels.

By broadening the RBV framework to encompass the dynamic capabilities perspective, we can capture even more vividly the relationship between EO and SEW in the context of internationalization. According to this perspective, merely possessing unique resource combinations is insufficient in a constantly changing environment. Instead, firm leaders must (1) sense changes and emerging opportunities, (2) seize them by reconfiguring their activities and managing risks—including moderating excessive control needs—while leveraging internationalization as a growth avenue, and (3) transform and reconfigure their resource base to incorporate the experiential knowledge acquired through international activities (Teece, 2007). This three-step cycle perfectly reflects the dynamics at the heart of the phenomenon

under study: EO pushes family firms toward innovation and new market entry, the challenges of internationalization encourage firms to seize opportunities despite inherent risks, and the subsequent reconfiguration integrates experiential learning into the firm's evolving resource base.

### 5.1.5 Research Questions and Their Answers

The general research question of this dissertation was how the internationalization of family firms affects their socioemotional wealth. To examine this in sufficient detail, it was necessary to decompose the overarching question into more specific sub-questions. This led to the formulation of the following three research questions:

1. Is entrepreneurial orientation—traditionally presented in the literature as a force constrained by SEW—truly irreconcilable with socioemotional wealth and its dimensions as defined by the FIBER scale?
2. What is the nature of the relationship between the five dimensions of entrepreneurial orientation and the five dimensions of SEW (as measured by the FIBER scale), and are these relationships influenced by additional factors?
3. Based on the depth of internationalization, can statistically significant differences be identified in family firms' FIBER-scale values, and how can these differences be typified—i.e., into what clusters can the surveyed firms be categorized?

The results presented thus far have aimed to address these research questions, but it is essential to provide explicit answers, drawing directly on the findings from the chapters referenced above.

1. The analyses revealed that the reconciliation of EO and SEW is not only possible but also a necessary condition for the successful and sustainable development of family firms and their expansion into international markets.
2. The nature of the relationship has been carefully delineated, identifying which dimensions exert supportive or restrictive effects. Moreover, five additional factors were identified as influencing these relationships (though excluded from the final integrative

model, they are depicted in the figures of Chapter 3). The findings also highlighted how these interactions ultimately affect family firm performance.

3. The results further indicate that statistically significant differences can be observed in the Family Influence and Control dimension, with a weaker yet noteworthy effect at the 10% significance level in the case of Emotional Attachment. The remaining three dimensions showed no substantive differences as a function of the depth of internationalization. Beyond this, four distinct clusters were identified, each of which can be clearly differentiated in terms of the value sets of their SEW dimensions.

#### 5.1.6 *Historia est magistra vitae*

In the second and third chapters of this dissertation, I sought to enhance the accessibility of the articles' key messages through the use of metaphors. To frame my dissertation, I also aim to provide a guiding tool for interpreting the model presented in the concluding chapter, once again drawing on the recommendations of Miles and Huberman (Miles & Huberman, 1994). However, in this instance, I extend the metaphor into an allegory. An allegory is a prolonged metaphor or personification, carried through a sequence of thoughts, illuminating each stage step by step, and offering a vivid and illustrative expression of a given concept. (Bakos, 1979).

Once again, history serves as a helpful analogy. Among the peoples of antiquity, in the mid-8th century BCE and in the subsequent centuries, Rome was merely one among numerous city-states established across the Mediterranean region. Initially, their primary ambition was simply to stabilize their position and strengthen their existence, ensuring the survival of their state for future generations—just as any newly-founded family business aims to do.

Rome's initial expansion took place within its immediate vicinity, specifically within what is now the Lazio region of Italy. Following fierce, often decades-long conflicts, Rome gradually subdued neighboring peoples and other city-states. The conquered populations were organized into a three-tiered system of alliances. Allies under simple treaties, Latin rights, and full Roman rights were afforded varying privileges and responsibilities, and transitioning between these categories was deliberately challenging. Behind this system was the necessity of maintaining dominance over numerically superior subjugated populations and securing long-term control. The famous maxim associated with this approach was "divide et impera," or "divide and rule."

During this period, Rome deliberately avoided expansion beyond Italy, fearing the loss of its already acquired territories and achievements. Their goal was to maintain stable

governance through cautious, carefully measured progress. This approach closely parallels the decision-making and growth strategies of family firms during their initial developmental phases, reflecting deliberate advancement, meticulous risk evaluation, and an unwavering pursuit of stability.

This mindset changed significantly after the Second Punic War and the defeat of Carthage, when Romans realized their capacity not only for successful land-based warfare but also maritime campaigns. Consequently, the conquest of states and peoples around the Mediterranean basin commenced—parallel, in our analogy, to the genuine internationalization of family enterprises. Rome's expansive foreign policy rapidly increased its territory but simultaneously introduced numerous social problems, a discussion of which would exceed the scope of this dissertation. Nevertheless, even throughout this period of international expansion, Rome never neglected the safeguarding of its achievements, the protection of the empire, and the stabilization of its newly established status quo.

The empire's boundaries were protected by the *limes*, a defensive line that encircled the entire Roman Empire, at times constructed as fortifications and at other times aligned with natural geographical barriers. The *limes* served to prevent incursions from neighboring peoples, facilitated organized defense, and provided designated entry and exit points toward all four cardinal directions, enabling military campaigns aimed at expanding the empire.

This historical analogy effectively encapsulates the essence of my dissertation's integrative model. The *limes* surrounding ancient Rome functioned precisely like socioemotional wealth in family firms during internationalization efforts. It safeguarded the empire — just as socioemotional wealth protects family enterprises' integrity and familial characteristics — and carefully filtered expansive ambitions. Military expeditions could only leave the empire through controlled, predefined points in the *limes*, and only if sanctioned by the Senate, thus ensuring that military endeavors commenced solely when risks were manageable and clearly aligned with imperial interests. Likewise, socioemotional wealth permits only those carefully considered business development initiatives whose risks are deemed acceptable, thus allowing international market entry exclusively in forms that confidently secure the sustainability and long-term continuity of the firm.

The third article of my dissertation highlights that different stages of internationalization primarily introduce variations, challenges, and tasks related to maintaining control and influence, which explains the gradient shading in the relevant arrows of my model. The Roman Empire itself encountered this exact challenge as it expanded; given the communication standards of the era, governing such extensive territories effectively from a single center proved

impossible. Numerous strategies were implemented—from strengthening provincial governors' authority to introducing the dual and later the quadruple imperial system (the tetrarchy)—with varying degrees of success.

## 5.2. Practical Implications

The internationalization of family businesses can be a logical outcome of a prosperous firm's successful operations, as well as a means of sustaining such success. At the same time, it presents new challenges that must be addressed to ensure that internationalization remains a sustainable step not only from an economic standpoint but also in light of non-economic considerations.

Based on our findings, one of the most critical dimensions of socioemotional wealth requiring particular and deliberate attention is family influence and control. The analysis confirms that an excessively high level of control can impede the firm's development and entry into international markets—consequently leading to a decline in performance and results. In other words, an overemphasis on maintaining tight control can ultimately jeopardize the very survival of the business. To avoid this, solutions should be developed that do not disregard the need for control, but rather create workable conditions for this SEW dimension while also accommodating entrepreneurial orientation.

We propose that, as the organization grows, certain early-stage leadership functions should be delegated to others. This necessarily entails relinquishing not only specific tasks but also elements of personal oversight. To ensure that the deeply embedded desire for control is not compromised, it may be advisable to integrate qualified, trustworthy professionals into the organization who can effectively oversee and manage the delegated areas. This approach may be particularly effective if professionalization occurs within the family—that is, by appointing or, preferably, consciously preparing family members to lead specific areas. Such empowerment can alleviate the first-generation leader's workload, enabling them to redirect the time and energy gained toward further developing the organization. Strategic decisions would, of course, remain at the core leadership level, but the operational management experience gained by the successor candidate in this process can be substantial.

In the international context, when establishing a foreign subsidiary, it may be prudent to appoint a leader from among family members whose qualifications and trustworthiness position them as strong potential successors in the eventual succession process. This allows them to prove—or disprove—their capability in a high-stakes environment prior to an actual succession

decision. This is particularly relevant given that a generalist leader is required to head such a subsidiary—someone who is deeply familiar with the firm’s values and operations.

A historical parallel can be found in King Ladislaus I of Hungary, who, upon annexing Croatian territories to his crown in 1091, appointed his nephew, Prince Álmos (in the absence of a son), rather than the previously overlooked future King Coloman, to govern the region. While strategic decisions continued to be made by Ladislaus, operational governance was entrusted to Álmos. Because Álmos shared similar leadership qualities with Ladislaus, he was designated as heir. Conversely, Coloman was steered toward a clerical path and appointed Bishop of Várad. However, Álmos ultimately failed as the ruler of Croatia, and after Ladislaus’s death—and a brief interregnum—the crown passed to Coloman instead.

It is also essential to minimize the practical effects of physical and geographical distance from the headquarters by strengthening elements of family business identity and organizational culture. When such cultural values are actively embedded in the subsidiary’s operations, the need for stringent oversight diminishes, as these values can serve as a form of clan control. This, of course, complements rather than replaces the establishment of regulated, formalized structures and the retention of certain functions at the headquarters level.

Finally, a gradual approach to internationalization, as described by the Uppsala model, can enhance the firm’s sense of security—our findings indicate that this path is often followed in practice. This step-by-step progression allows the firm to steadily learn and meet the demands of foreign markets. Furthermore, when undertaken as part of a business network, the internationalization of existing relationships not only mitigates risk but also strengthens the firm’s position within the network, potentially enhancing its capabilities within it.

### 5.3. Future research

An important avenue for future research is to examine how the number of generations active in a family firm, the occurrence of a generational succession, or the continued 'reign' of the founding generation influences socioemotional wealth, entrepreneurial orientation, and internationalization. This area is particularly noteworthy given that several of the reviewed scholarly sources indicate that succession impacts both internationalization and the dimensions of socioemotional wealth; however, in our sample, this relationship could not be statistically substantiated. Consequently, we have already initiated the development of a subsequent article that focuses specifically on this nexus—not by clusters, but across the five dimensions of the FIBER scale. Preliminary findings suggest that socioemotional wealth behaves inversely to

firm size in cases where no generational succession has yet occurred, compared to firms where such a transition has already taken place.

An important direction for future research involves quantitatively validating the approach termed the "Walking Dead Strategy," which was introduced in the second article and is partly based on the findings from the first article. Validation should occur through quantitative methods, employing a large sample to assess the theoretical assertions derived from the literature.

To gain deeper insights, qualitative research involving family firms already experienced in internationalization, conducted via semi-structured interviews, would be beneficial. Such an approach could surface previously hidden factors, thereby enriching the foundation for subsequent research.

Developing a standardized quantitative methodology for measuring the FIBER scale dimensions suitable for large-scale quantitative research represents another significant future research avenue.

The findings presented in the third article should also be examined within a broader geographic scope. Questionnaires could be interpreted within a Central European context, highlighting potential local differences, and subsequently compared to findings from Western European, North American, and East Asian contexts.

The clusters identified in the third article warrant further investigation, applying additional complementary criteria that could potentially reveal more pronounced differences among the identified groups.

An industry-based analysis of the firms included in the research constitutes an intriguing future research direction. It is conceivable that distinctive characteristics could emerge among family businesses operating within specific sectors.

Lastly, extending the current research to address family firms as economically heterogeneous entities rather than homogeneous groups may be valuable. Such an approach could help identify which developmental lifecycle stages provide the greatest likelihood for successful internationalization processes.

## 6. REFERENCES

- Abdelwahed, Y., & Basly, S. (2023). Entrepreneurial Orientation, Commitment to Learning and Family Business Resilience– Exploring the Moderating Effect of Family-to-Firm Identity Fit. *Journal of Enterprising Culture*, 31(02), 179–209.  
<https://doi.org/10.1142/S0218495823500061>
- Alessandri, T. M., Cerrato, D., & Eddleston, K. A. (2018). The mixed gamble of internationalization in family and nonfamily firms: The moderating role of organizational slack. *Global Strategy Journal*, 8(1), 46–72.  
<https://doi.org/10.1002/gsj.1201>
- Alos-Simo, L., Verdu-Jover, A.-J., & Gomez-Gras, J.-M. (2023). The influence of evolution of the environment on export in family firms. *European Research on Management and Business Economics*, 29(1), 100204. <https://doi.org/10.1016/j.iedeen.2022.100204>
- Andrási, Z., Borsi, B., Némethné Pál, K., Farkas, L., Papanek, G., & Viszt, E. (2009). *A mikro-, kis- és közepes vállalatok növekedésének feltételei*. GKI Gazdaságkutató.
- Antal, Z., Vaszkun, B., & Dobák, M. (2010). *Tradicionális versus innovatív társaságirányítási és szervezeti formák*. Budapesti Corvinus Egyetem.
- Antalóczy, K., & Sass, M. (2011). Kis- és közepes méretű vállalatok nemzetköziesedése— Elmélet és empiria. *Külgazdaság, LV. évfolyam*(szeptember-október), 22-33. oldal.
- Aronoff, C. E. (1998). Megatrends in Family Business. *Family Business Review*, 11(3), 181–185. <https://doi.org/10.1111/j.1741-6248.1998.00181.x>
- Astrachan, J. H., Klein, S. B., & Smyrnios, K. X. (2002). The F-PEC Scale of Family Influence: A Proposal for Solving the *Family Business* Definition Problem1. *Family Business Review*, 15(1), 45–58. <https://doi.org/10.1111/j.1741-6248.2002.00045.x>

- Bakos, F. (1979). *Idegen szavak és kifejezések szótára* (5. kiadás). Kossuth Kiadó.
- Bala Subrahmanya, M. H. (2007). Development strategies for Indian SMEs: Promoting linkages with global transnational corporations. *Management Research News*, 30(10), 762–774. <https://doi.org/10.1108/01409170710823476>
- Balaton K., Hortoványi L., Incze E., Laczkó M., Szabó Z. R., & Tari E. (2016). *Stratégiai menedzsment*. Akadémiai Kiadó. <https://doi.org/10.1556/9789630597838>
- Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), 99–120. <https://doi.org/10.1177/014920639101700108>
- Baros-Tóth, Á. (2023). A szocio-emocionális vagyon (SEW) jelentősége a családi vállalkozások kutatásában. *Tudásmenedzsment*, 24(2), 73–84. <https://doi.org/10.15170/tm.2023.24.2.7>
- Bauweraerts, J., & Colot, O. (2023). Is innovativeness always beneficial in family SMEs The moderating role of generational stage. *International Journal of Entrepreneurship and Small Business*, 48(2), 101. <https://doi.org/10.1504/IJESB.2023.128341>
- Békés, G., & Muraközy, B. (2011). Magyar gazellák: Gyors növekedésű vállalatok jellemzői és kialakulásuk elemzése Magyarországon. In *Budapesti Munkagazdaságtani Füzetek*. MTA Közgazdaságtudományi Intézete.
- Berrone, P., Cruz, C., & Gomez-Mejia, L. R. (2012a). 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>
- Berrone, P., Cruz, C., & Gomez-Mejia, L. R. (2012b). 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>

- Bianchi, C., Glavas, C., & Mathews, S. (2017). SME international performance in Latin America: The role of entrepreneurial and technological capabilities. *Journal of Small Business and Enterprise Development*, 24(1), 176–195. <https://doi.org/10.1108/jsbed-09-2016-0142>
- Boellis, A., Mariotti, S., Minichilli, A., & Piscitello, L. (2016). Family involvement and firms' establishment mode choice in foreign markets. *Journal of International Business Studies*, 47(8), 929–950. <https://doi.org/10.1057/jibs.2016.23>
- Braga, V., Correia, A., Braga, A., & Lemos, S. (2017). The innovation and internationalisation processes of family businesses. *Review of International Business and Strategy*, 27(2), 231–247. <https://doi.org/10.1108/RIBS-01-2017-0005>
- Brundin, E., McClatchey, I. S., & Melin, L. (2023). Leaving the family business: The dynamics of psychological ownership. *Journal of Family Business Strategy*, 14(2), 100555. <https://doi.org/10.1016/j.jfbs.2023.100555>
- Buckley, P. J., & Casson, M. (1976). *Future of the Multinational Enterprise* (1st ed. 1976). Palgrave Macmillan UK. <https://doi.org/10.1007/978-1-349-02899-3>
- Bujan, I. (2020). Entrepreneurial orientation and socioemotional dimensions in small family hotels: Do they impact business performance? *Economic Research-Ekonomska Istraživanja*, 33(1), 1925–1942. <https://doi.org/10.1080/1331677X.2020.1763824>
- Calabrò, A., Torchia, M., Kallmuenzer, A., Yezza, H., & Feng, C. (2023). Transgenerational entrepreneurship in family firms: A configurational approach. *Review of Managerial Science*, 17(7), 2535–2554. <https://doi.org/10.1007/s11846-022-00592-y>
- Calabrò, A., Torchia, M., Quarato, F., Valentino, A., Cambrea, D. R., & Lohe, F.-W. (2024). Family Firms' Shareholder Structure and International Acquisitions: A Differentiated Socioemotional Wealth Approach. *Family Business Review*, 37(2), 244–266. <https://doi.org/10.1177/08944865231205847>

- Casado-Belmonte, M. D. P., Capobianco-Uriarte, M. D. L. M., Martínez-Alonso, R., & Martínez-Romero, M. J. (2021). Delineating the Path of Family Firm Innovation: Mapping the Scientific Structure. *Review of Managerial Science*, 15(8), 2455–2499. <https://doi.org/10.1007/s11846-021-00442-3>
- Casillas, J., & Acedo, F. (2007). Evolution of the Intellectual Structure of Family Business Literature: A Bibliometric Study of FBR. *Family Business Review*, 20(2), 141–162. <https://doi.org/10.1111/j.1741-6248.2007.00092.x>
- Casillas, J. C., Moreno, A. M., & Barbero, J. L. (2011). Entrepreneurial orientation of family firms: Family and environmental dimensions. *Journal of Family Business Strategy*, 2(2), 90–100. <https://doi.org/10.1016/j.jfbs.2011.03.002>
- Cerrato, D., & Piva, M. (2012). The internationalization of small and medium-sized enterprises: The effect of family management, human capital and foreign ownership. *Journal of Management & Governance*, 16(4), 617–644. <https://doi.org/10.1007/s10997-010-9166-x>
- Chandler, J. A., Zachary, M. A., Brigham, K. H., & Tyge, G. (2016). Long-term orientation. *Routledge Companion To Family Business*, 70–89.
- Chen, S., Wu, B., Liao, Z., & Chen, L. (2022). Does familial decision control affect the entrepreneurial orientation of family firms? The moderating role of family relationships. *Journal of Business Research*, 152, 60–69. <https://doi.org/10.1016/j.jbusres.2022.07.014>
- Chikán Attila. (2008). *Vállalatgazdaságtan* (4., átd., bőv. kiad). Aula.
- Colli, A., & Rose, M. B. (2003). Family Firms in Comparative Perspective. In F. Amatori & G. Jones (Eds), *Business History around the World* (1st edn, pp. 339–352). Cambridge University Press. <https://doi.org/10.1017/CBO9780511512100.017>

- Covin, J. G., & Slevin, D. P. (1989). Strategic management of small firms in hostile and benign environments. *Strategic Management Journal*, 10(1), 75–87.  
<https://doi.org/10.1002/smj.4250100107>
- Cronin, C. (2011). Doing your literature review: Traditional and systematic techniques. *Evaluation & Research in Education*, 24(3), 219–221.  
<https://doi.org/10.1080/09500790.2011.581509>
- Cruz, C., & Nordqvist, M. (2012). Entrepreneurial orientation in family firms: A generational perspective. *Small Business Economics*, 38(1), 33–49. <https://doi.org/10.1007/s11187-010-9265-8>
- Csákné Filep, J. (2012). *Családi vállalkozás—Fókuszban az utódlás*.
- Csedő, Z. (2023). Sustainability change management in inter-organizational innovation networks. *Society and Economy*, 45(4), 355–371.  
<https://doi.org/10.1556/204.2023.00011>
- Czakó, E., & Könczöl, E. (2014). Critical Success Factors of Export Excellence and Policy Implications: The Case of Hungarian Small and Medium-Sized Enterprises. In *International Entrepreneurship and Corporate Growth in Visegrád Countries*. University of Miskolc.
- Czakó, E., & Reszegi, L. (2010). *Nemzetközi vállalatgazdaságtan*. Alinea : Vállalatgazdasági Tudományos Egyesület.
- D’Allura, G. M. (2019). The leading role of the top management team in understanding family firms: Past research and future directions. *Journal of Family Business Strategy*, 10(2), 87–104. <https://doi.org/10.1016/j.jfbs.2018.12.001>
- Debellis, F., Pinelli, M., Hülsbeck, M., & Heider, A. (2023). Ownership, governance, and internationalization in family firms: A replication and extension. *Small Business Economics*, 61(4), 1437–1459. <https://doi.org/10.1007/s11187-023-00736-8>

- 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>
- Debicki, B. J., Ramírez-Solís, E. R., Baños-Monroy, V. I., & Gutiérrez-Patrón, L. M. (2020). The impact of strategic focus on relational capital: A comparative study of family and non-family firms. *Journal of Business Research*, 119, 585–598.  
<https://doi.org/10.1016/j.jbusres.2020.07.016>
- Denicolai, S., Hagen, B., & Pisoni, A. (2015). Be international or be innovative? Be both? The role of the entrepreneurial profile. *Journal of International Entrepreneurship*, 13(4), 390–417. <https://doi.org/10.1007/s10843-015-0143-y>
- Diaz-Moriana, V., Clinton, E., Kammerlander, N., Lumpkin, G. T., & Craig, J. B. (2020). Innovation Motives in Family Firms: A Transgenerational View. *Entrepreneurship Theory and Practice*, 44(2), 256–287. <https://doi.org/10.1177/1042258718803051>
- Dunning, J. H. (1980a). Toward an eclectic theory of international production. *The International Executive*, 22(3), 1–3. <https://doi.org/10.1002/tie.5060220301>
- Dunning, J. H. (1980b). Toward an Eclectic Theory of International Production: Some Empirical Tests. *Journal of International Business Studies*, 11(1), 9–31.  
<https://doi.org/10.1057/palgrave.jibs.8490593>
- Endrődi-Kovács, V., & Nagy, S. G. (2022). A kelet-közép-európai kis- é közép vállalkozások versenyképességi környezete az Európai Unióban. *Közgazdasági Szemle, LXIX. évfolyam*(március), 314–338.
- Espeche, J. F. T., Sacristán-Navarro, M., Zúñiga-Vicente, J. Á., & Crespo, N. F. (2023). Innovation and internationalisation during times of economic growth, crisis, and recovery prior to Covid-19: A configurational approach comparing Spanish

- manufacturing family and non-family firms. *Journal of Family Business Strategy*, 14(1), 100513. <https://doi.org/10.1016/j.jfbs.2022.100513>
- Fernández-Olmos, M. (2020). Factors Determining the Internationalization of Spanish Family SMEs: A Resource-Based Approach. In C. Camisón & T. González (Eds), *Advances in Business Strategy and Competitive Advantage* (pp. 148–167). IGI Global. <https://doi.org/10.4018/978-1-7998-1655-3.ch006>
- Ferreira, J. J., Fernandes, C. I., & Ratten, V. (2017). Entrepreneurship, innovation and competitiveness: What is the connection? *International Journal of Business and Globalisation*, 18(1), 73. <https://doi.org/10.1504/IJBG.2017.081030>
- Freixanet, J., & Federo, R. (2022). The complex interplay of firm innovation, internationalization and learning capability in driving firm performance: A configurational analysis. *Journal of Strategy and Management*, 15(4), 766–790. <https://doi.org/10.1108/JSMA-11-2021-0220>
- Freixanet, J., Monreal, J., & Sánchez-Marín, G. (2021). Family firms' selective learning-by-exporting: Product vs process innovation and the role of technological capabilities. *Multinational Business Review*, 29(2), 210–236. <https://doi.org/10.1108/MBR-01-2020-0011>
- Freixanet, J., Rialp, A., & Churakova, I. (2020). How do innovation, internationalization, and organizational learning interact and co-evolve in small firms? A complex systems approach. *Journal of Small Business Management*, 58(5), 1030–1063. <https://doi.org/10.1111/jsbm.12510>
- Garcés-Galdeano, L., Larraza-Kintana, M., García-Olaverri, C., & Makri, M. (2016). Entrepreneurial orientation in family firms: The moderating role of technological intensity and performance. *International Entrepreneurship and Management Journal*, 12(1), 27–45. <https://doi.org/10.1007/s11365-014-0335-2>

- Gelei, A., & Kenesei, Z. (2016). Elkötelezett kapcsolatok és nemzetköziesedés – vállalataink innovációs teljesítményének két fontos forrása. *Statisztikai Szemle, 95. évfolyam*(8-9. szám), 823-846. oldal.
- Glowka, G., Kallmünzer, A., & Zehrer, A. (2021). Enterprise risk management in small and medium family enterprises: The role of family involvement and CEO tenure. *International Entrepreneurship and Management Journal, 17*(3), 1213–1231. <https://doi.org/10.1007/s11365-020-00682-x>
- 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., & Moyano-Fuentes, J. (2007). Socioemotional Wealth and Business Risks in Family-controlled Firms: Evidence from Spanish Olive Oil Mills. *Administrative Science Quarterly, 52*(1), 106–137. <https://doi.org/10.2189/asqu.52.1.106>
- Gorovaia, N., & Windsperger, J. (2010). The use of knowledge transfer mechanisms in franchising. *Knowledge and Process Management, 17*(1), 12–21. <https://doi.org/10.1002/kpm.337>
- Graves, C., & Thomas, J. (2008). Determinants of the Internationalization Pathways of Family Firms: An Examination of Family Influence. *Family Business Review, 21*(2), 151–167. <https://doi.org/10.1111/j.1741-6248.2008.00119.x>
- Gu, Q., Lu, J. W., & Chung, C.-N. (2019). Incentive or Disincentive? A Socioemotional Wealth Explanation of New Industry Entry in Family Business Groups. *Journal of Management, 45*(2), 645–672. <https://doi.org/10.1177/0149206316678450>
- Gulanowski, D., Papadopoulos, N., & Plante, L. (2018). The role of knowledge in international expansion: Toward an integration of competing models of

- internationalization. *Review of International Business and Strategy*, 28(1), 35–60.  
<https://doi.org/10.1108/ribs-09-2017-0077>
- 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>
- Haddoud, M. Y., Onjewu, A.-K. E., Nowiński, W., & Jones, P. (2021a). The determinants of SMEs' export entry: A systematic review of the literature. *Journal of Business Research*, 125, 262–278. <https://doi.org/10.1016/j.jbusres.2020.12.017>
- Haddoud, M. Y., Onjewu, A.-K. E., Nowiński, W., & Jones, P. (2021b). The determinants of SMEs' export entry: A systematic review of the literature. *Journal of Business Research*, 125, 262–278. <https://doi.org/10.1016/j.jbusres.2020.12.017>
- Hadryś-Nowak, A. (2018). Family Entrepreneurship Orientation in Family Owned SMEs: A Key Resource for Internationalization? *Entrepreneurial Business and Economics Review*, 6(2), 153–169. <https://doi.org/10.15678/EBER.2018.060208>
- Handler, W. C. (1989). Methodological Issues and Considerations in Studying Family Businesses. *Family Business Review*, 2(3), 257–276. <https://doi.org/10.1111/j.1741-6248.1989.00257.x>
- Handoyo, M. V., & Nirbito, J. G. (2021). Creating the Violetta Stationary Startup Business Using the Value Proposition Canvas. *KnE Social Sciences*.  
<https://doi.org/10.18502/kss.v5i5.8800>
- Hart, C. (2018). *Doing a literature review: Releasing the research imagination* (2nd edition). SAGE Publications Inc.
- Hauck, J., Suess-Reyes, J., Beck, S., Prügl, R., & Frank, H. (2016). Measuring socioemotional wealth in family-owned and -managed firms: A validation and short form of the

- FIBER Scale. *Journal of Family Business Strategy*, 7(3), 133–148.  
<https://doi.org/10.1016/j.jfbs.2016.08.001>
- Helvert, J. V., & Nordqvist, M. (2018). Entrepreneurship from a Family Business Perspective. In R. Blackburn, D. De Clercq, & J. Heinonen, *The SAGE Handbook of Small Business and Entrepreneurship* (pp. 107–123). SAGE Publications Ltd.  
<https://doi.org/10.4135/9781473984080.n7>
- Hennart, J. (2001). Theories of the Multinational Enterprise. In A. M. Rugman & T. L. Brewer (Eds), *Oxford Handbook of International Business* (1st edn, pp. 127–149). Oxford University PressOxford. <https://doi.org/10.1093/0199241821.003.0005>
- Hernández-Linares, R., Kellermanns, F. W., López-Fernández, M. C., & Sarkar, S. (2020). The effect of socioemotional wealth on the relationship between entrepreneurial orientation and family business performance. *BRQ Business Research Quarterly*, 23(3), 174–192. <https://doi.org/10.1177/2340944420941438>
- Hernández-Linares, R., & López-Fernández, M. C. (2018). Entrepreneurial Orientation and the Family Firm: Mapping the Field and Tracing a Path for Future Research. *Family Business Review*, 31(3), 318–351. <https://doi.org/10.1177/0894486518781940>
- Hernández-Perlines, F., Covin, J. G., & Ribeiro-Soriano, D. E. (2021). Entrepreneurial orientation, concern for socioemotional wealth preservation, and family firm performance. *Journal of Business Research*, 126, 197–208.  
<https://doi.org/10.1016/j.jbusres.2020.12.050>
- Herrera, J., & De Las Heras-Rosas, C. (2020). Economic, Non-Economic and Critical Factors for the Sustainability of Family Firms. *Journal of Open Innovation: Technology, Market, and Complexity*, 6(4), 119. <https://doi.org/10.3390/joitmc6040119>
- Hooda, A., Gupta, P., Jeyaraj, A., Giannakis, M., & Dwivedi, Y. K. (2022). The effects of trust on behavioral intention and use behavior within e-government contexts. *International*

- Journal of Information Management*, 67, 102553.  
<https://doi.org/10.1016/j.ijinfomgt.2022.102553>
- Horváth, D., & Mitev, A. (2015). *Alternatív kvalitatív kutatási kézikönyv*. Alinea.
- Huszák, L. (2021). Vállalkozások növekedése nemzetközi piacra lépés útján. Stratégiai tervezés a nemzetközi piacra lépéshez. In *Vállalkozásmenedzsment. Indulás, növekedés, fejlődés* (p. 211). Budapesti Corvinus Egyetem.
- Hymer, S. (1977). *The international operations of national firms: A study of direct foreign investment* (2. pr). MIT Pr.
- Incze, E. (2010). *A multinacionálissá válás útjai Magyarországon – a vállalatok nemzetköziesedésének időbeni alakulása [Hungarian Multinationals: A Time-Based Perspective of Firm Internationalization in a Transformational Country Context]*.
- Ingram, T., & Bratnicka-Mysliwicz, K. (2021). Organizational Resilience and Family Firm Performance: The Role of Socioemotional Wealth. *EUROPEAN RESEARCH STUDIES JOURNAL*, XXIV(Issue 3), 523–540. <https://doi.org/10.35808/ersj/2369>
- Islam, N., Wang, Q., Marinakis, Y., & Walsh, S. (2022). Family enterprise and technological innovation. *Journal of Business Research*, 147, 208–221.  
<https://doi.org/10.1016/j.jbusres.2022.04.004>
- Jiménez, D., Valle, R. S., & Caballero, J. A. P. (2020). Entrepreneurial orientation and innovation success in family firms. *International Journal of Entrepreneurship and Small Business*, 40(1), 114. <https://doi.org/10.1504/IJESB.2020.106941>
- Johanson, J., & Vahlne, J.-E. (1977). The Internationalization Process of the Firm—A Model of Knowledge Development and Increasing Foreign Market Commitments. *Journal of International Business Studies*, 8(1), 23–32.  
<https://doi.org/10.1057/palgrave.jibs.8490676>

- Johanson, J., & Vahlne, J.-E. (2009). The Uppsala internationalization process model revisited: From liability of foreignness to liability of outsidership. *Journal of International Business Studies*, 40(9), 1411–1431. <https://doi.org/10.1057/jibs.2009.24>
- Johanson, J., & Wiedersheim-Paul, F. (1975). THE INTERNATIONALIZATION OF THE FIRM ? FOUR SWEDISH CASES. *Journal of Management Studies*, 12(3), 305–323. <https://doi.org/10.1111/j.1467-6486.1975.tb00514.x>
- Kallmuenzer, A., Hora, W., & Peters, M. (2018). Strategic decision-making in family firms: An explorative study. *European J. of International Management*, 12(5/6), 655. <https://doi.org/10.1504/EJIM.2018.094497>
- Kallmuenzer, A., Peters, M., & Strobl, A. (2015). Agency Costs in Family Firms and their Influence on the EO-Performance Relationship. *Academy of Management Proceedings*, 2015(1), 16601. <https://doi.org/10.5465/ambpp.2015.16601abstract>
- Kallmuenzer, A., Strobl, A., & Peters, M. (2018). Tweaking the entrepreneurial orientation–performance relationship in family firms: The effect of control mechanisms and family-related goals. *Review of Managerial Science*, 12(4), 855–883. <https://doi.org/10.1007/s11846-017-0231-6>
- Kampouri, K., & Hajidimitriou, Y. (2023). International Partnership Failures in the Context of Family Small and Medium Enterprises Internationalisation. *European Journal of Family Business*, 13(1), 56–70. <https://doi.org/10.24310/ejfbejfb.vi.15154>
- Kampouri, K., Magrizos, S., Kastanakis, M. N., & Kostopoulos, I. (2025). Emotions in family firms' internationalisation: A review and suggestions for future research. *International Marketing Review*. <https://doi.org/10.1108/imr-02-2024-0060>
- Kampouri, K., Plakoyiannaki, E., & Leppäaho, T. (2017). Family business internationalisation and networks: Emerging pathways. *Journal of Business & Industrial Marketing*, 32(3), 357–370. <https://doi.org/10.1108/jbim-04-2015-0066>

- Kano, L., & Verbeke, A. (2018). Family firm internationalization: Heritage assets and the impact of bifurcation bias. *Global Strategy Journal*, 8(1), 158–183.  
<https://doi.org/10.1002/gsj.1186>
- Kárpáti, Z. (2021). Családi vállalatok professzionalizálódása: Szisztematikus szakirodalmi áttekintés. *Vezetéstudomány / Budapest Management Review*, 52(3), 53–65.  
<https://doi.org/10.14267/VEZTUD.2021.03.05>
- Kárpáti, Z., & Drótos, G. (2023). Hogyan professzionalizáljuk a vállalkozásunkat? : Egy longitudinális esettanulmány tapasztalatai egy hazai közepes méretű családi vállalkozás példáján keresztül. *Vezetéstudomány / Budapest Management Review*, 53–67. <https://doi.org/10.14267/VEZTUD.2023.02.05>
- Kisfűrjesi, N., & Hofmeister-Tóth, Á. (2022). Fogyasztói magatartás a likvid modernitásban – Szakirodalmi áttekintés a likvid fogyasztásról = Consumer behaviour in liquid modernity – A literature review of liquid consumption. *Vezetéstudomány / Budapest Management Review*, 30–41. <https://doi.org/10.14267/VEZTUD.2022.08-09.03>
- Kontinen, T., & Ojala, A. (2012). Internationalization pathways among family-owned SMEs. *International Marketing Review*, 29(5), 496–518.  
<https://doi.org/10.1108/02651331211260359>
- Kozma, M., & Sass, M. (2019). Magyar „nemzetközi új vállalatok”. Piacválasztás és a hálózatok szerepe a korai nemzetköziesedésben. *Vezetéstudomány / Budapest Management Review*, 50(3), 62–71. <https://doi.org/10.14267/VEZTUD.2019.03.06>
- Kraus, S., Mensching, H., Calabrò, A., Cheng, C.-F., & Filser, M. (2016). Family firm internationalization: A configurational approach. *Journal of Business Research*, 69(11), 5473–5478. <https://doi.org/10.1016/j.jbusres.2016.04.158>
- Kumar, R. K., & Dubey, A. K. (2022). Family-owned enterprises and their role in entrepreneurial development: A bibliometric and content analysis of the literature.

- Journal of Asia Business Studies*, 16(5), 802–832. <https://doi.org/10.1108/JABS-02-2021-0062>
- Labaki, R., & Mustafa, M. J. (2023). The Family Effect: A Compass for Research on Heterogeneity of Family Businesses in Embedded Contexts. *Entrepreneurship Research Journal*, 13(3), 533–548. <https://doi.org/10.1515/erj-2023-0221>
- Le Breton-Miller, I., & Miller, D. (2023a). Contradiction and disaggregation for family firm research. *Journal of Family Business Strategy*, 14(1), 100533. <https://doi.org/10.1016/j.jfbs.2022.100533>
- Le Breton-Miller, I., & Miller, D. (2023b). Contradiction and disaggregation for family firm research. *Journal of Family Business Strategy*, 14(1), 100533. <https://doi.org/10.1016/j.jfbs.2022.100533>
- Le Breton-Miller, I., Miller, D., & Bares, F. (2015). Governance and entrepreneurship in family firms: Agency, behavioral agency and resource-based comparisons. *Journal of Family Business Strategy*, 6(1), 58–62. <https://doi.org/10.1016/j.jfbs.2014.10.002>
- Lin, W.-T., & Wang, L. C. (2021). Family firms, R&D, and internationalization: The stewardship and socio-emotional wealth perspectives. *Asia Pacific Journal of Management*, 38(1), 91–119. <https://doi.org/10.1007/s10490-018-9636-2>
- Lohe, F.-W., Calabrò, A., & Torchia, M. (2021). Disentangling the drivers of family firms internationalization through the lens of socioemotional wealth. *Journal of International Entrepreneurship*, 19(4), 479–509. <https://doi.org/10.1007/s10843-021-00284-w>
- Lortie, J., Cox, K. C., & Sproul, C. (2021). Toward a theory of entrepreneurial differentiation: How entrepreneurial firms compete. *International Entrepreneurship and Management Journal*, 17(3), 1291–1312. <https://doi.org/10.1007/s11365-020-00716-4>

- Losonczi, M., Vakhal, P., & Nagy, G. (2020). A kkv-k nemzetköziesedése a statisztikai adatok alapján. In *A kis- és középvállalkozások nemzetköziesedésének néhány kérdése Magyarországon* (1., p. 274). Budapesti Gazdasági Egyetem.
- Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the Entrepreneurial Orientation Construct and Linking It to Performance. *The Academy of Management Review*, *21*(1), 135.  
<https://doi.org/10.2307/258632>
- Lyons, J., Konara, P., & Shirodkar, V. (2024). Family business legitimacy and foreign subsidiary establishment mode choice: An institutional and mixed gamble approach. *International Business Review*. <https://doi.org/10.1016/j.ibusrev.2024.102360>
- Martínez-Alonso, R., Martínez-Romero, M. J., & Rojo-Ramírez, A. A. (2018). Technological innovation and socioemotional wealth in family firm research: Literature review and proposal of a conceptual framework. *Management Research: Journal of the Iberoamerican Academy of Management*, *16*(3), 270–301.  
<https://doi.org/10.1108/MRJIAM-01-2018-0803>
- McCann, P., & Acs, Z. J. (2011). Globalization: Countries, Cities and Multinationals. *Regional Studies*, *45*(1), 17–32. <https://doi.org/10.1080/00343404.2010.505915>
- McGrath, R. G. (2001). EXPLORATORY LEARNING, INNOVATIVE CAPACITY, AND MANAGERIAL OVERSIGHT. *Academy of Management Journal*, *44*(1), 118–131.  
<https://doi.org/10.2307/3069340>
- Meneses, R., Coutinho, R., & Carlos Pinho, J. (2014). The impact of succession on family business internationalisation: The successors' perspective. *Journal of Family Business Management*, *4*(1), 24–45. <https://doi.org/10.1108/JFBM-01-2013-0004>
- Metsola, J., Leppäaho, T., Paavilainen-Mäntymäki, E., & Plakoyiannaki, E. (2020). Process in family business internationalisation: The state of the art and ways forward.

- International Business Review*, 29(2), 101665.  
<https://doi.org/10.1016/j.ibusrev.2020.101665>
- Mikesy, Á. (2013). A magyarországi mikro-, kis- és középvállalatok nemzetköziesedése és a külföldi értékesítést nehezítő akadályok—Egy vállalati felmérés tanulságai. *Külgazdaság, LVII. évfolyam*(2013. január-február), 92–120.
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative Data Analysis: An Expanded Sourcebook*. SAGE Publications.
- Miller, D. (1983). The Correlates of Entrepreneurship in Three Types of Firms. *Management Science*, 29(7), 770–791. <https://doi.org/10.1287/mnsc.29.7.770>
- Modgil, S., Dwivedi, Y. K., Rana, N. P., Gupta, S., & Kamble, S. (2022). Has Covid-19 accelerated opportunities for digital entrepreneurship? An Indian perspective. *Technological Forecasting and Social Change*, 175, 121415.  
<https://doi.org/10.1016/j.techfore.2021.121415>
- Moreno-Menéndez, A. M., Arzubíaga, U., Díaz-Moriana, V., & Casillas, J. C. (2022). The impact of a crisis on entrepreneurial orientation of family firms: The role of organisational decline and generational change. *International Small Business Journal: Researching Entrepreneurship*, 40(4), 425–452.  
<https://doi.org/10.1177/02662426211036694>
- Moreno-Menéndez, A. M., & Casillas, J. C. (2021). How do family businesses grow? Differences in growth patterns between family and non-family firms. *Journal of Family Business Strategy*, 12(3), 100420. <https://doi.org/10.1016/j.jfbs.2021.100420>
- Mosolygó-Kiss, Á., Heidrich, B., & Chandler, N. (2022). Apám nehéz álmodt ígér? – A társas-érzelmi vagyon prioritásainak változása a generációváltó családi vállalkozásokban = In the name of the father: the role the role of changing socio-emotional wealth priorities in hungarian family businesses under succession. *Vezetéstudomány /*

- Budapest Management Review*, 115–129. <https://doi.org/10.14267/veztud.2022.08-09.09>
- Naldi, L., Nordqvist, M., Sjöberg, K., & Wiklund, J. (2007). Entrepreneurial Orientation, Risk Taking, and Performance in Family Firms. *Family Business Review*, 20(1), 33–47. <https://doi.org/10.1111/j.1741-6248.2007.00082.x>
- Németh, K. (2018). *Családi vállalkozások teljesítményének endogén tényezői* [PhD, Széchenyi István Egyetem]. <https://doi.org/10.15477/sze.rgdi.2018.006>
- Németh, K. (2020a). A kis- és közepes méretű vállalkozások nemzetköziesedését segítő és gátló tényezők. In *A kis- és középvállalkozások nemzetköziesedésének néhány kérdése Magyarországon* (p. 274). Budapesti Gazdasági Egyetem.
- Németh, K. (2020b). Vállalati kérdőíves megkérdezés a kkv-k nemzetköziesedéséről. In *A kis- és középvállalkozások nemzetköziesedésének néhány kérdése Magyarországon* (p. 274). Budapesti Gazdasági Egyetem.
- Németh, K., & Németh, S. (2019). A szocio-emocionális vagyoni és a családi vállalkozások fenntarthatóságának összefüggésrendszere. *Taylor Gazdálkodás- És Szervezéstudományi Folyóirat*, 1, 46–55.
- Ng, P. Y., Dayan, M., & Di Benedetto, A. (2019). Performance in family firm: Influences of socioemotional wealth and managerial capabilities. *Journal of Business Research*, 102, 178–190. <https://doi.org/10.1016/j.jbusres.2019.05.026>
- Orr, S., Menzies, J., Zheng, C., & Maddumage, S. (2019). *Innovation and internationalisation successful SMEs' ventures into China*. Routledge.
- Parson, T., & Bales, R. F. (1955). *Family, Socialization and Interaction Process*.
- Patel, P. C., Terjesen, S., & Li, D. (2012). Enhancing effects of manufacturing flexibility through operational absorptive capacity and operational ambidexterity. *Journal of Operations Management*, 30(3), 201–220. <https://doi.org/10.1016/j.jom.2011.10.004>

- Pistrui, B., & Harmat, V. (2022). A szolgáltató robotok definiálása és alkalmazási lehetőségei az üzleti szervezetekben. Szisztematikus irodalmi áttekintés. *Vezetéstudomány / Budapest Management Review*, 53(1), 58–68.  
<https://doi.org/10.14267/VEZTUD.2022.01.05>
- Prahalad, C. K., & Hamel, G. (2006). The Core Competence of the Corporation. In D. Hahn & B. Taylor (Eds), *Strategische Unternehmensplanung—Strategische Unternehmensführung* (pp. 275–292). Springer-Verlag. [https://doi.org/10.1007/3-540-30763-X\\_14](https://doi.org/10.1007/3-540-30763-X_14)
- Pukall, T. J., & Calabrò, A. (2014). The Internationalization of Family Firms: A Critical Review and Integrative Model. *Family Business Review*, 27(2), 103–125.  
<https://doi.org/10.1177/0894486513491423>
- Ramírez-Solís, E. R., Mojarro-Durán, B. I., & Baños-Monroy, V. I. (2024). Family social capital as a mediator between socioemotional wealth and entrepreneurial orientation: Evidence from Mexican SMEs. *Management Research: Journal of the Iberoamerican Academy of Management*, 22(2), 159–177. <https://doi.org/10.1108/MRJIAM-04-2023-1413>
- Ratten, V., Ramadani, V., Dana, L.-P., Hoy, F., & Ferreira, J. (2017). Family entrepreneurship and internationalization strategies. *Review of International Business and Strategy*, 27(2), 150–160. <https://doi.org/10.1108/RIBS-01-2017-0007>
- Ratten, V., & Tajeddini, K. (2017). Innovativeness in family firms: An internationalization approach. *Review of International Business and Strategy*, 27(2), 217–230.  
<https://doi.org/10.1108/RIBS-12-2016-0085>
- Ray, S., Mondal, A., & Ramachandran, K. (2018). How does family involvement affect a firm's internationalization? An investigation of Indian family firms. *Global Strategy Journal*, 8(1), 73–105. <https://doi.org/10.1002/gsj.1196>

- Reina, W., Pla-Barber, J., & Villar, C. (2023). Socioemotional wealth in family business research: A systematic literature review on its definition, roles and dimensions. *European Management Journal*, 41(6), 1000–1020.  
<https://doi.org/10.1016/j.emj.2022.10.009>
- Rodrigues, P. P., Pai, P. K., Joshi, H. G., & Prabhu, N. (2022). Influence of Socio-emotional Wealth on Entrepreneurial Orientation in Family Firms: A Bibliometric Analysis and Systematic Review. *Business Perspectives and Research*, 227853372210984.  
<https://doi.org/10.1177/22785337221098484>
- Rugman, A. M. (1980). Internalization Theory and Corporate International Finance. *California Management Review*, 23(2), 73–79. <https://doi.org/10.2307/41164920>
- Samsami, M., & Schøtt, T. (2021). Family and Non-Family Businesses in Iran: Coupling among Innovation, Internationalization and Growth-Expectation. *European Journal of Family Business*, 11(2). <https://doi.org/10.24310/ejfbefjb.v11i2.10444>
- Sanchez-Famoso, V., Cano-Rubio, M., & Fuentes-Lombardo, G. (2019). The role of cooperation agreements in the internationalization of Spanish winery and olive oil family firms. *International Journal of Wine Business Research*, 31(4), 555–577.  
<https://doi.org/10.1108/IJWBR-08-2018-0042>
- Simmons, C., & Kalantaridis, C. (1996). Making garments in Southern Europe: Entrepreneurship and labour in rural Greece. *Journal of Rural Studies*, 12(2), 169–185. [https://doi.org/10.1016/0743-0167\(96\)00007-1](https://doi.org/10.1016/0743-0167(96)00007-1)
- Singal, M., & Batra, S. (2021a). The role of socioemotional wealth and entrepreneurial orientation in family-managed hotels. *Journal of Hospitality and Tourism Management*, 49, 204–213. <https://doi.org/10.1016/j.jhtm.2021.09.012>

- Singal, M., & Batra, S. (2021b). The role of socioemotional wealth and entrepreneurial orientation in family-managed hotels. *Journal of Hospitality and Tourism Management, 49*, 204–213. <https://doi.org/10.1016/j.jhtm.2021.09.012>
- Singh, R., Chandrashekar, D., Subrahmanya Mungila Hillemane, B., Sukumar, A., & Jafari-Sadeghi, V. (2022). Network cooperation and economic performance of SMEs: Direct and mediating impacts of innovation and internationalisation. *Journal of Business Research, 148*, 116–130. <https://doi.org/10.1016/j.jbusres.2022.04.032>
- Singh, R., & Kota, H. B. (2017). A resource dependency framework for innovation and internationalization of family businesses: Evidence from India. *Journal of Entrepreneurship in Emerging Economies, 9*(2), 207–231. <https://doi.org/10.1108/JEEE-04-2016-0013>
- Singla, C., Veliyath, R., & George, R. (2014). Family firms and internationalization-governance relationships: Evidence of secondary agency issues: Research Notes and Commentaries. *Strategic Management Journal, 35*(4), 606–616. <https://doi.org/10.1002/smj.2111>
- Sipos, N., Venczel-Szakó, T., & Bankó, Z. (2024). A vállalati humántőke-tényezők szerepe a KKV-k exportjában a globális versenyképességi projekt adatai alapján. *Vezetéstudomány / Budapest Management Review, 55*(12), 15–29. <https://doi.org/10.14267/VEZTUD.2024.12.02>
- Stanley, L. J., Hernández-Linares, R., López-Fernández, M. C., & Kellermanns, F. W. (2019). A Typology of Family Firms: An Investigation of Entrepreneurial Orientation and Performance. *Family Business Review, 32*(2), 174–194. <https://doi.org/10.1177/0894486519838120>
- Szabó, G. M. (2023). Family firms in the maelstrom of international market entry and innovation – Can socio-emotional wealth (SEW) and entrepreneurial orientation (EO)

- be reconciled? *Society and Economy*, 45(4), 432–450.  
<https://doi.org/10.1556/204.2023.00019>
- Szabó, G. M. (2025). The Walking Dead Strategy – The connection between socio-emotional wealth and entrepreneurial orientation – Systematic literature review. *Vezetéstudomány / Budapest Management Review*, 56(7–8), 54–65.  
<https://doi.org/10.14267/VEZTUD.2025.07-08.05>
- Szanyi-Gyenes, X. (2024). A jövő szervezetének versenyképessége a vállalatok nemzetköziesedésének aspektusából. *Vezetéstudomány / Budapest Management Review*, 55(12), 46–60. <https://doi.org/10.14267/VEZTUD.2024.12.04>
- Szanyi-Gyenes, X., & Almási, A. (2023). Top Executives on Competitiveness: Survey of Digitalization and Internationalization in Hungarian Companies. *Acta Polytechnica Hungarica*, 20(9), 43–62. <https://doi.org/10.12700/APH.20.9.2023.9.3>
- Szennay, Á., & Csákné Filep, J. (2024). Az exportaktivitás és a családi jelleg hatása a KKV-k innovativitására. *Vezetéstudomány / Budapest Management Review*, 55(9), 31–43.  
<https://doi.org/10.14267/VEZTUD.2024.09.03>
- Tagiuri, R., & Davis, J. (1996). Bivalent Attributes of the Family Firm. *Family Business Review*, 9(2), 199–208. <https://doi.org/10.1111/j.1741-6248.1996.00199.x>
- Tajeddini, K., Altinay, L., & Ratten, V. (2017). Service innovativeness and the structuring of organizations: The moderating roles of learning orientation and inter-functional coordination. *International Journal of Hospitality Management*, 65, 100–114.  
<https://doi.org/10.1016/j.ijhm.2017.06.010>
- Teece, D. J. (2007). Explicating dynamic capabilities: The nature and microfoundations of (sustainable) enterprise performance. *Strategic Management Journal*, 28(13), 1319–1350. <https://doi.org/10.1002/smj.640>

- Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 18(7), 509–533. [https://doi.org/10.1002/\(SICI\)1097-0266\(199708\)18:7%253C509::AID-SMJ882%253E3.0.CO;2-Z](https://doi.org/10.1002/(SICI)1097-0266(199708)18:7%253C509::AID-SMJ882%253E3.0.CO;2-Z)
- Torkkeli, L., Faroque, A., & Velt, H. (2022). The Future of International Entrepreneurship Post-COVID-19. In N. Faghieh & A. Forouharfar (Eds), *Socioeconomic Dynamics of the COVID-19 Crisis* (pp. 45–61). Springer International Publishing. [https://doi.org/10.1007/978-3-030-89996-7\\_3](https://doi.org/10.1007/978-3-030-89996-7_3)
- 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, 207–222.
- Tuirán-Álvarez, K. Y., Sanabria-Landazábal, N. J., & Acosta-Prado, J. C. (2019). Family businesses, risk and adverse selection in the agency relationship. *Dimensión Empresarial*, 17(3). <https://doi.org/10.15665/dem.v17i3.2041>
- Vakhal, P. (2020). Magyar kis- és középvállalkozások a globális értékláncokban. *Külgazdaság*, 64(5–6), 30–59. <https://doi.org/10.47630/KULG.2020.64.5-6.30>
- Ventel, E., & Farrington, S. (2021). Entrepreneurial orientation as a source of heterogeneity in African family businesses. *Re-Imagining Management Research*, 13–14, 768–783.
- Vernon, R. (1966). International Investment and International Trade in the Product Cycle. *The Quarterly Journal of Economics*, 80(2), 190. <https://doi.org/10.2307/1880689>
- Wang, L., Tang, Y., Chen, Y., & Wang, K. (2021a). Be a better boss. Employee treatment, trust level and family business innovation: Evidence from China. *Research in International Business and Finance*, 58, 101503. <https://doi.org/10.1016/j.ribaf.2021.101503>
- Wang, L., Tang, Y., Chen, Y., & Wang, K. (2021b). Be a better boss. Employee treatment, trust level and family business innovation: Evidence from China. *Research in International Business and Finance*, 58, 101503. <https://doi.org/10.1016/j.ribaf.2021.101503>

- Webster, J. E., & Watson, R. T. (2002). Analyzing the Past to Prepare for the Future: Writing a Literature Review. *MIS Quarterly*, 26(2), 13–23.
- Wegapitiya, W. K. H. (2021). Managing in the Long Run in Family Businesses: Factors Influencing Trans-Generational Continuity. *Sri Lankan Management Journal*, 26(2).
- Welch, L. S., & Luostarinen, R. (1988). Internationalization: Evolution of a Concept. *Journal of General Management*, 14(2), 34–55. <https://doi.org/10.1177/030630708801400203>
- Wiesz, A. (2020). Fontos, hogy mi családi cég vagyunk? – családi vállalkozási identitás és teljesítmény. *Vezetéstudomány / Budapest Management Review*, 51(2), 60–73. <https://doi.org/10.14267/VEZTUD.2020.02.05>
- Wiesz, A. (2023). Tradícióból megújulás (?)—A professzionalizálódás hatása az innovációra családi vállalatoknál. *Világpolitika És Közgazdaságtan*, 2. évfolyam(4. szám), 36–44.
- Wiesz, A., & Drótos, G. (2018). Családi vállalkozások Magyarországon. In T. Kolosi & I. G. Tóth (Eds), *Társadalmi Riport* (pp. 233–247). TÁRKI Társadalomkutatási Intézet Zrt. <https://doi.org/10.61501/TRIP.2018.13>
- Wiesz, A., Martos, T., Sallay, V., Varga, S., & Vékás, P. (2021). *Családi vállalatok utódlása Magyarországon—Kutatási jelentés* ([https://unipub.lib.uni-corvinus.hu/7092/1/ResearchReport\\_hu.pdf](https://unipub.lib.uni-corvinus.hu/7092/1/ResearchReport_hu.pdf); p. 151). Budapesti Corvinus Egyetem. [https://unipub.lib.uni-corvinus.hu/7092/1/ResearchReport\\_hu.pdf](https://unipub.lib.uni-corvinus.hu/7092/1/ResearchReport_hu.pdf)
- Wiesz, A., Sallay, V., & Martos, T. (2021). *Családi vállalatok Magyarországon*. Budapesti Corvinus Egyetem.
- Wiesz, A., & Vajda, É. (2020). Family Businesses in Hungary –Evidence from A Country-level Survey. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3713765>
- Woldesenbet, K., & Murithi, W. (2019). Firms’ Contribution to Regional Economic Development: Unravelling Some Explanatory and Moderating Variables. *EURAM*.

- Yang, H. Y. O., Chaisingharn, N., & Nguyen, T. H. (2016a). The impacts of entrepreneurship on export orientation and internationalisation: The moderating effects of family ownership and involvement. *International Journal of Innovation and Learning*, 19(1), 1. <https://doi.org/10.1504/IJIL.2016.073284>
- Yang, H. Y. O., Chaisingharn, N., & Nguyen, T. H. (2016b). The impacts of entrepreneurship on export orientation and internationalisation: The moderating effects of family ownership and involvement. *International Journal of Innovation and Learning*, 19(1), 1. <https://doi.org/10.1504/IJIL.2016.073284>
- Yildirim-Öktem, Ö., Erdogan, I., Calabrò, A., & Kiratli, O. S. (2023). Effect of environmental dynamism on entrepreneurial orientation in family firms: The moderating role of informal institutions. *Journal of Family Business Management*, 13(4), 1277–1305. <https://doi.org/10.1108/JFBM-11-2022-0128>
- Zahra, S. A. (2003). International expansion of U.S. manufacturing family businesses: The effect of ownership and involvement. *Journal of Business Venturing*, 18(4), 495–512. [https://doi.org/10.1016/S0883-9026\(03\)00057-0](https://doi.org/10.1016/S0883-9026(03)00057-0)
- Zahra, S. A. (2018). Entrepreneurial Risk Taking in Family Firms: The Wellspring of the Regenerative Capability. *Family Business Review*, 31(2), 216–226. <https://doi.org/10.1177/0894486518776871>
- Zellweger, T. M. (2017). *Managing the family business: Theory and practice*. Edward Elgar Publishing.
- Zellweger, T. M., & Astrachan, J. H. (2008). On the Emotional Value of Owning a Firm. *Family Business Review*, 21(4), 347–363. <https://doi.org/10.1177/08944865080210040106>
- Zellweger, T. M., Nason, R. S., & Nordqvist, M. (2012). From Longevity of Firms to Transgenerational Entrepreneurship of Families: Introducing Family Entrepreneurial

Orientation. *Family Business Review*, 25(2), 136–155.

<https://doi.org/10.1177/0894486511423531>

## 7. LIST OF ARTICLES

1. Szabó, Gyula Márton (2023): *Family firms in the maelstrom of international market entry and innovation – Can socio-emotional wealth (SEW) and entrepreneurial orientation (EO) be reconciled?* Society and Economy, 45 (4). pp. 432-450.  
DOI: <https://doi.org/10.1556/204.2023.00019>
2. Szabó, G. M. (2025). *The Walking Dead Strategy–The connection between socio-emotional wealth and entrepreneurial orientation–Systematic literature review.* Vezetéstudomány-Budapest Management Review, 56(7-8), 54-65.  
DOI: <https://doi.org/10.14267/VEZTUD.2025.07-08.05>
3. Szabó, Gyula Márton – Kun, Zsuzsanna (2025): *The Relationship Between the Internationalization of Family Firms and the Dimensions of Their SEW According to the FIBER Scale*  
DOI: <http://dx.doi.org/10.2139/ssrn.5391561>