Entrepeneurship Process As The Creation Of Business By Engaging Family Members: Based On The Perceived Emotion

Proceso De Emprendimiento Como La Creación De Negocios Al Comprometer A Los Miembros De La Familia: Basado En La Emoción Percibida

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Abstract.

The family business background expects us to start to scrutinize these understood presumptions and, along these lines, raise possibilities for future studies to make essential commitments. In sum, we can learn a great deal about the process of possibilities identification and refinement by exploring social interactions in the family business context and thereby make essential contributions to theory. We can also learn a great deal about the transformations of the family and the business by exploring the identification and refinement of possibilities. Although scholars have highlighted the importance of relational and family factors for the sustainability of a family business, there is not much empirical research exploring how emotions and the management of emotions play a role in the interpersonal dynamics of family business owners. The purpose of this paper is to explore how the way family members manage their emotions affects the interpersonal dynamics in the family, business, and ownership subsystems of a family business. The results indicate that the capability that family members have to manage their emotions influences the interpersonal dynamics that take place in the family business at the individual and group level. In this case, the paper found that although perceived emotion (PE) affected interpersonal relationships in business, this effect was based on the individual’s willingness to use their PE capabilities, the previous history between people, and the goals individuals have within each subsystem in a family business. The paper also found that interpersonal dynamics, in turn, influence how family members work together.

**Keywords:** Family business, Entrepreneur, Perceived Emotion (PE), Mind, Action
Resumen

Los antecedentes de la empresa familiar esperan que comencemos a analizar estas presunciones entendidas y, en este sentido, aumentar las posibilidades de futuros estudios para hacer compromisos esenciales. En resumen, podemos aprender mucho sobre el proceso de identificación y refinamiento de posibilidades al explorar las interacciones sociales en el contexto de la empresa familiar y, por lo tanto, hacer contribuciones esenciales a la teoría. También podemos aprender mucho sobre las transformaciones de la familia y el negocio al explorar la identificación y el refinamiento de las posibilidades. Aunque los académicos han destacado la importancia de los factores relacionales y familiares para la sostenibilidad de un negocio familiar, no hay mucha investigación empírica que explore cómo las emociones y el manejo de las emociones juegan un papel en la dinámica interpersonal de los propietarios de negocios familiares. El propósito de este documento es explorar cómo la forma en que los miembros de la familia manejan sus emociones afecta la dinámica interpersonal en los subsistemas de familia, negócios y propiedad de una empresa familiar. Los resultados indican que la capacidad que tienen los miembros de la familia para manejar sus emociones influye en la dinámica interpersonal que tiene lugar en el negocio familiar a nivel individual y grupal. En este caso, el documento encontró que aunque la emoción percibida (EP) afectó las relaciones interpersonales en los negocios, este efecto se basó en la voluntad del individuo de usar sus capacidades de EP, la historia previa entre las personas y las metas que los individuos tienen dentro de cada subsistema en un negocio familiar. El documento también encontró que la dinámica interpersonal, a su vez, influye en cómo los miembros de la familia trabajan juntos.

Palabras Claves: Empresa familiar, emprendedor, emoción percibida (PE), mente, acción
Introduction

In a world where so many people want to start a business, and so many people want to believe that they are, maybe all our study has missed a critical point. Intent without the right action is not intended; it is dreaming. (Do I want to start a business? Yes! Do I expect to start soon? Not necessarily). From the intuitive social point of view of the recognizable proof and refinement of potential possibilities, the "mind" alludes to an individual (implicitly independent of the business context), and the "world" is outside to the individual (implicitly independent of the individual).

Family businesses are organisations “governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families” (Chua et al., 1999, p. 25). These organisations are representative of the majority of businesses in the world and play a significant role in the GDP of their countries (Astrachan and Shanker, 2003; Ifera, 2003). Although some family businesses often outperform their non-family counterparts (Anderson and Reeb, 2004), one of the most significant challenges that family businesses face is the transition of ownership and management across generations (De Massis et al., 2008; Le-Breton-Miller et al., 2004). Previous studies have indicated that only one-third of the family businesses make it to the second generation, and about 15 percent make it to the third generation (Birley, 1986; Ward, 1987). Thus, a lot of the research in the family business discipline has explored the factors that affect the ability of these businesses to transition between generations.

There are different explanations for why family businesses have difficulty being viable across generations. In work summarizing the factors that prevent succession, De Massis et al. (2008) suggest that five general factors prevent intra-family succession in family businesses: individual factors (i.e., issues related to the successor and predecessor), financial considerations (i.e., availability of financial resources for the business to succeed), contextual factors (i.e., changes in the environment in which the organisation operates), process factors (i.e., presence of processes that outline the
succession process), and relational factors (i.e., relationship dynamics between family and non-family members involved in the business). This paper focusses on relational factors. We explore how the way family members manage their emotions (i.e., their perception of emotion (PE)) affects interpersonal dynamics that may lead to negative conflict in a family business and later change the succession process. To explore how PE can affect the dynamics in the family business, this paper presents an in-depth case study to answer the following study question:

**RQ1.** How does a family member’s ability to perceive, understand, manage, and regulate emotions (i.e., EI\(^1\)) affect their interpersonal dynamics in the (a) family, (b) business, and (c) ownership contexts?

**RQ2.** What was each family member’s level of PE?

**RQ3.** How did the level of PE play a role in interpersonal dynamics in the three subsystems?

**RQ4.** When did PE play a role in interpersonal dynamics in the three subsystems?

The family business and enterprise writings have had some trade previously; nonetheless, this trade has been to a great extent restricted in degree (e.g., the expansion of a variable from one field into the other), getting in nature (e.g., the exchanged variable keeps up its underlying significance, frame, and estimation), and uni-directional (i.e., contributing negligibly back to the source writing). In any case, thinks about joining these two literary works have made vital commitments to the two fields.

Here we choose to begin with a definition of intermediate specificity. “Entrepreneurial” intentions refer to the intent to start a business, to launch a new venture. It is essential to select a level of specificity where heterogeneous samples will have adequately similar mental models of what the referent means (e.g., Ajzen 1987). “I intend to start a business” need not match precisely with “I intend to be an entrepreneur,” but the

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\(^1\) Emotional Intelligence
bulk of the empirical research to date appears to use this, and we will use that as a starting point.

However, a nascent entrepreneur is committed (or believes she is) to a course of action. What do we gain if we identify nascency as the genuine “intending”? The careers literature distinguishes a stage prior to intent, “interest” (e.g., Lent et al. 1994). Might this also suggest a three-stage phase change model: Interest, Intent, Launch? Even if this is too limiting, this thought suggests that we may want to think long and hard about where “intent” really begins?

**Deep Beliefs.** However, if deep anchoring beliefs influence entrepreneurial intentions but influence differently as intentions evolve, then we might well identify different specifications for the model. Consider differences in motivation and volition (Ach 1910), Heckhausen (2007), in this simple thought experiment suggested by Elfving et al. (2008). One music entrepreneur believes, “I am an entrepreneur. Therefore, I start a business.” The other believes, “I am passionate about music. Being an entrepreneur enables that.” One has a passion for entrepreneurship, the other for music, yet both start a music business. It might be relatively straightforward to identify what lies beneath those surface beliefs. Kets de Vries (1996) argued from a psychoanalytic perspective that all humans have critical core beliefs that trigger significant action.

Family business studies have a strong tradition of exploring social interactions (e.g., Kellermanns & Eddleston, 2004; Morris et al., 1997). Accurately, because family businesses often have both family and non-family owners, considerable attention has been paid to the interaction between principals and agents for issues related to conflicts of interest and asymmetric information (Siebels & Zu Knyphausen-Aufseß, 2012; Vilaseca, 2002). For instance, Schulze (2001) featured the office expenses of unselfishness guardians acting liberally toward their kids when running the business (Kets de Vries, 1993; Schulze et al., 2003) and administration entrenchment relatives having secure positions in administration through killed inner control systems (Gomez-Mejia et al., 2001; Siebels and Zu Knyphausen-Aufseß, 2012). Though inspect about dependent on stewardship hypothesis clarifies how operators act to the most significant advantage
of the standards (Donaldson and Davis, 1991; Siebels and Zu Knyphausen-Aufseß, 2012), relatives tend to put the prosperity of the business over their very own wellbeing (Cabrera-Suárez, De Saá-Pérez, and García-Almeida, 2001; Corbetta and Salvato, 2004). For instance, the directors (i.e., stewards) take part in professional, authoritative practices that improve family business execution (Corbetta and Salvato, 2004; Kellermanns and Eddleston, 2004) and make an emotional network (Arregle, Hitt, Sirmon, and Very, 2007; Miller and Le Breton-Miller, 2006).

In spite of learning about the monetary and social trade from the family to other people, there is a small comprehension of other business connections in family businesses (Gagné et al., 2014). In reality, inspect about the connections between the network and the on-screen character over potential possibilities gives a premise to an imperative commitment to the business enterprise (Shepherd, 2015), and, as we investigate underneath, this commitment can be accomplished through family business research.

A potential possibility speaks to both a vehicle and a result of communication, the investigation of which in the family business background can give the premise to critical commitments to the two fields. People can frame a conviction that a circumstance speaks to an possibilities for somebody (Cornelissen and Clarke, 2010; Grégoire and Shepherd, 2012) and an possibilities for them particularly (Autio, Dahlander, and Frederiksen, 2013; Haynie, Shepherd, and McMullen, 2009) that is, third-and first-individual possibilities convictions (McMullen and Shepherd, 2006), separately. By following up on this potential possibility, the individual draws in with a network to test (e.g., talk, test, and endeavor) the veracity of the inherent possibilities; thusly, a network of request (e.g., clients, providers, and financers) gives criticism about the potential possibilities (Autio et al., 2013; Shepherd, 2015). This criticism can change the psyche of the person, which would then be able to change the idea of the potential possibilities and, through connections with the appearances of the potential outcomes, change the network of a request. This thought of shared alteration between the brain and the world (Dewey, 1939) through testing and refining potential possibilities can illuminate (and be educated by) family business research.
The management of emotions in the family business

The majority of work on emotion management has focused on the study of PE.

There are two popular ways to define perceived emotion:

(1) the ability model; and

(2) the mixed model (i.e., a combination of traits and ability; Mayer et al., 2000).

The ability model suggests that PE is a type of intelligence or aptitude that overlaps with cognitive ability (Joseph and Newman, 2010). In this sense, PE represents the ability that individuals have to accurately carry out “reasoning about emotions and the ability to use emotions and emotional knowledge to enhance thought” (Mayer et al., 2008, p. 511). On the other hand, the mixed model views PE as a combination of intellect and various measures of personality (Petrides and Furdham, 2000). For mixed model scholars, PE is a combination of a personality trait and the ability to identify, interpret, and regulate emotions. Although there has been a lot of studies based on these two approaches, the mixed model approach is the source of many criticisms because it defines PE by exclusion, and it is too redundant with other personality characteristics (Joseph and Newman, 2010). Thus, for the purpose of this project, we view PE consistent with the ability model.

The work of George (2000) indicates that there are four aspects of PE that are important to consider:

(1) the appraisal and expression of emotions;

(2) the use of emotion to enhance cognitive processes and decision making;

(3) knowledge about emotions; and

(4) management/regulation of emotions.
The first component declares that the extent to which individuals are aware of the emotions experienced by them and others; and the degree to which they can verbally and non-verbally express these emotions to others (George, 2000). Both the appraisal and expression of emotions are necessary because they facilitate the input when making judgments and decisions, and ensure effective communication with others to achieve goals. The second component refers to an individual’s ability to use emotions in a practical way. That is, this second component reflects the capacity individuals have for using emotions to signal what is essential and to interpret other emotions to be able to anticipate what occurred and how others feel. Understanding how individuals use and interpret emotions is necessary when interacting with others to better understand communication interactions. The third component is concerned with understanding the predictors and consequences of emotions. Being able to understand the predictors and outcomes of emotions can help individuals better understand their environment and interact with others. Finally, the fourth component captures the extent to which individuals differ in their ability to manage theirs and others' moods and emotions. This fourth element is an essential interpersonal skill and a source of influence when interacting with others.

Most of the studies about PE has been conducted in the context of organisations. There are two reasons for this. First, there is empirical evidence that shows the effects of PE on job performance (see: Joseph and Newman, 2010; O'Boyle et al., 2011 for meta-analysis results). Results indicate that in jobs characterized by high emotional labor, those who have a strong PE will perform better. \(^2\) Second, there are multiple organisations that use PE measures as one of their selection criteria for an individual to enter a business. Thus, scholars have tried to understand how PE affects individual behaviour at work.

**Communities Within the Family business**

While research has typically considered the society of query to be external and somewhat independent of the individual identifying and refining the possibilities (Shepherd, 2015), a shift to the family business context offers a different perspective on

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\(^1\) Emotional labor is a term used to describe the degree to which a job “requires individuals to regulate their feelings and expressions of these feelings to achieve organizational goals” (Grandey, 2000, p. 97).
the society of query. For example, a society of queries could be considered more internal when it involves other members of the business and/or other members of the family. Given that potential possibilities can be refined through the interaction with a society of query, what happens when there are multiple communities of a query, and each provides different feedback? The various feedback provides a basis for refining the possibilities in various ways a fork in the road. Which path is chosen, why, and with what consequence? Perhaps it is less about consciously choosing a path but choosing the society of queries with which to remain engaged. Indeed, via pursuing one of the directions for refining the potential possibilities, both communities of the query may be transformed but in different ways. Therefore, the process of refining inherent opportunities may lead to the transformation of the business (as a society of query) and the family (as a society of query) in ways that create a divergence between the family and the business where there once was convergence. This idea has suggestions for future studies on the age, assessment, and refinement of potential open doors in the family business context.

If a potential possibility is a source of transformation that creates a divergence between the family and the business in some family businesses, then perhaps it can also be a source of convergence in other family businesses. That is, for family businesses with little coinciding between the family and business sub-frameworks, the recognizable proof and refinement of a potential possibilities might be a vehicle for changing the networks to such an extent that there is more cover between the two, thereby resolving the "disconnect" in particular, putting them both in agreement. As opposed to making two immovables yet restricting "mindsets," potential possibilities can speak to a vehicle for collaboration through which the inherent possibilities are refined. In this manner, the networks of a request are changed, thus closing the “mindset” gap. Future studies can decide if this procedure of assembly prompts a bargain of tradeoffs or a win-win circumstance.

Family Members’ Choices of Internal Communities

Over and above the interaction with the external society of query and between the family and the business communities of the query, the process of refining potential
possibilities will likely have an impact at the inter-personal level within both of the family businesses sub-systems. Here, we can focus on the unique aspect of the family business context of the family. When a member of the family businesses a possibilities belief, how does he or she “test” it with other family members, change his or her conceptualization of the potential possibilities (in line with feedback), and reflect that changed conceptualization in refinements to the nature of the potential possibilities? How do these refinements then transform the group of family members acting as a society of query? Perhaps the individual with the initial idea of potential possibilities can choose or create this first society of query. Maybe the family is utilized first as a network of request since they are proximal and vested. On the other hand, the principal network of query could be a littler sub-gather inside the family, a littler sub-gathering of non-family business individuals, or an outer (i.e., outside the family business) network of the query before the family is drawn nearer all in all. As alluded to in the previous paragraph, the differential transformation of communities through a potential possibilities’ refinement may complicate a sequential process of advancing from one society to the next. Indeed, although the generation of potential possibilities likely starts with one society or the other, this possibilities process probably continues in a highly iterative process by which possibilities refinement occurs through interactions within and between these different communities, which are themselves being transformed by the process.

**Emotions, Entrepreneurship, and Family businesses**

Our underlying contentions are grounded in socio-emotional riches (as spoke to in the family business writing), yet in addition mirror, more extensive reasoning with respect to the broader job emotion plays at the convergence of family business and business. In this unique circumstance, emotion alludes to abstract inclination states with an apparent reason or question, a brief term, and attention on a particular target (adjusted from Frijda, 1994). We trust future studies can make generous commitments to the family business and enterprise fields (and past) by investigating the distinctive jobs emotion plays.

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3 The content of this section relies largely on Shepherd (2016).
Emotional Reactions to Failure

Family business scientists have invested significant energy examining the negative impacts of the misfortune (or threatened loss) of socio-emotion riches on essential leadership (Cruz et al., 2010; Gómez-Mejía et al., 2007), and enterprise analysts have contemplated the negative impacts of the loss of an innovative undertaking (i.e., a task [Shepherd et al., 2011] or a business [Shepherd, 2003]) on essential leadership; notwithstanding, shockingly, there has been little cover between the two fields. Given their comparative advantages, cross-preparation will probably profit the two areas. Specifically, higher supplies of emotions could lead business individuals to continue in business undertakings regardless of poor execution. In any case, such ingenuity may make disappointment costlier on the off chance that it occurs, or, in other words, adverse effect the family's (and its members’) well-being. In addition, as the family puts more noteworthy emotion stocks in the business, the business is probably going to enhance insignificance among relatives, therefore creating more sorrow if disappointment occurs. This subsequent sadness could make relatives endure longer, learn less, and be less roused to attempt again after a disappointment. Then again, a portion of the emotion stocks that prompted tirelessness could likewise fill in as a way to adapt to misery. To be specific, when looked with sorrow over the enterprising disappointment, businesses with higher emotion stocks might have the capacity to help relatives all the more rapidly diminish anguish, gain from the disappointment, and attempt once more. Nonetheless, business distress could likewise demolish or significantly modify the family's (and family members’) set of emotion-related qualities. These guesses are for the most part, theories now. Additionally, inspect about is required on the emotion supplies of the family (as well as the people and gatherings inside the family) and on the fizzling or potential disappointment of pioneering attempts (i.e., ventures or businesses).

Emotional Responses to Others’ Suffering, Entrepreneurship, and Family businesses

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4 The content of this section relies largely on Shepherd (2016).
Scholars have found that when the family has influence in managing the business, resulting in business decisions are generally more socially responsible and reflect stronger notions of society citizenship (Berrone et al., 2010; Dyer & Whetten, 2006). The driving force of such “socially responsible” behaviour is likely prosocial motivation an individual’s desire to expend effort to assist (i.e., protect or promote the welfare of) other people (Batson, 1998; Grant, 2007). What's more, businesses can take part in prosocial behaviour through empathy sorting out: "a collective response to a particular incident of human suffering that entails the coordination of individual compassion" (Dutton, Worline, Frost, and Lilis, 2006, p. 62). Empathy sorting out alludes to associations' repurposing and diverting schedules utilized for typical work to rapidly react to representatives in need to help lighten their anguish, for example, the University of Michigan's reaction to the torment caused to understudies by a fire on grounds (Dutton et al., 2006).

In any case, there are times when the association's present schedules and procedures don't line up with the necessities related to a part's torment. In such cases, the family inside (and perhaps reaching beyond) the limits of the business might have the capacity to offer the schedules and procedures essential to facilitate the authoritative part's affliction. That is, the family can fill in as the establishment for arranging the recognizable proof and misuse of potential possibilities outcomes to lighten the part's affliction. Similarly, as with any business errand, it is likely that a few families are preferable at empathy sorting out over others. For example, families that confronted enduring in the past could have more grounded sympathy sorting out capacities in the family business setting than families without such experience.

**Methods and Materials**

This study used a case study methodology. This methodological approach explores a phenomenon within its real-life context to help scholars answer questions of how and why a phenomenon occurs (Yin, 2003). This study was enhanced while participating in a consulting practice with a family company to help them work on their family harmony and unity, which was causing problems for the business. The data collection lasted approximately six months and included semi-structured interviews with family members,
observation of the interactions between family members, and a review of written
documents (e.g., family business minutes, annual data on revenue for the last five years,
and market data). Semi-structured interviews were conducted separately with each family
member and lasted approximately one hour and a half. Questions in the interview tried to
assess each family member’s perception about other family members and their take on
the dynamics in the family, business, and ownership structures of the business. Three
individuals conducted each interview and took separate notes throughout the process to
be able to compare their information. The interviewers also had six-monthly meetings with
the family members. During these meetings, each interviewer conducted direct
observations about the interpersonal dynamics and interactions in the family, ownership,
and business contexts. These observations focused on how family members treated one
another, how they expressed and communicated their ideas and emotions to others, how
they interacted when discussing different points of view, and the dynamics that occurred
when they tried to make decisions about the family, business, and ownership components
of the business. Finally, written documents were reviewed to obtain background
information about the family business and the dynamics between family members. This
variety of information sources allowed scholars methodological triangulation and higher
levels of confidence in the quality of the data. Table (1) presents a general description of
the family members interviewed for this study.

Table 1. Description of the family members interviewed for this study

<table>
<thead>
<tr>
<th>Family member</th>
<th>Background description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Father</td>
<td>The father is an entrepreneur that enhanced his approach and skills through his experiences on the job. He had no formal education to help him manage the business. Since the creation of the business, he has been the person primarily responsible for the day-to-day operations of the business. He has enhanced excellent relationships with his clients, thanks to his general knowledge of the industry. In general, he is very strict, disciplined,</td>
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</table>
and authoritarian. He believes that the company “has and will always belong to only him. The fact that my wife and children are part-owners is only for taxation and protection of wealth reasons”. His priority is the economic viability of the business.

| **Mother** | The mother is responsible for the financial and accounting tasks in the business. Although she did not have a college education, she is very good at the management of house finances. This really helped the initial improvement of the business. Her priority is family. Because of this, she always tries to keep the family together and promotes family harmony and unity. In general, she is quiet and has excellent interpersonal skills. She is very empathetic and tries to avoid conflict as much as possible. |
| **Older son** | The older son is the current general manager for the company. He has a bachelor's degree in business administration. He has worked for the business since he was 17 years old and has had to do most of the low-level jobs. Since he was born, his dad has thought of him as the successor for the business. Because of this, he was raised under stringent rules from his dad. His father believes that he is not a good manager because to be a good manager, one has to “be able to control everything, especially in this industry where people tend to steal from you.” The father sees him as “a delegator,” and this is not an excellent characteristic for a manager. |
| **Middle son** | His title in the company is sales manager. He also has a bachelor's degree in business administration. He joined the business while he was in college and has worked for the business full time since he graduated. Because of the dominance of his father in the business, he does not perform all of the responsibilities of his position because his father would not let him. His mother and sister believe that he should be more assertive in his role. |
The daughter is responsible for human resources and marketing for the family business. She works from a different city where she lives with her husband. She completed her college degree in psychology and has always been protected by her father. She has had continuous education in coaching and personal improvement.

The family business used for this case was a business with members of the first- and second-generation participating in the management of the business. The company’s main business is the transportation of fuels and lubricants for producers in Colombia-South America. This company is one of the main transporters of fuel for the largest refineries in Colombia. There are five family members that have ownership in the business: the father 30%, the mother 20%, the oldest son 16.66%, the middle son 16.66%, and the daughter 16.66%. The current management structure of the business has the father as the main decision-maker for the business, the older son is the general manager with no decision-making capability, the middle son is the sales manager, the wife works with accounting and managing finances in the business, and the daughter works with human resources and marketing. The company was started in 1977, and today it has over 50 employees and $19 million in sales.

There have been three critical incidents that affected the relationships between family members in relation to the business. The first incident began when the mother found out that her husband (i.e., the father) had several extra-marital affairs. As a consequence of this, and in an attempt to protect the family wealth from possible lawsuits, she demanded that her husband create a legal document that explicitly articulated the ownership that each family member had in relation to the business.

Her husband agreed and, to prevent their children from finding out about the affairs; the papers were prepared without communicating this decision to the children. Some years later, when the older son was getting married, the family lawyer told him that he needed his fiancé to sign a prenuptial agreement. When he asked why he found out that
he was part-owner of the company, and this needed to be done to protect the company, this discovery caused a lot of negative feelings among parents and their children.

The second incident was the result of the father deciding to treat his children differently when they were attending college. When the oldest son was ready to participate in college, the father told him that he would be on a stringent budget and that he would have to pay his father back for all the money that he spent while going to school. The son went to school in a larger city, and after the first month, he found out that the budget his father gave him was not enough to survive. Although he expressed this to the father, the father decided not to increase the budget because he thought his son would use the extra money to party and have a good time, and he would not be invested in his studies. Because of this, the oldest son had to work for the company on the weekends and during university breaks. During his time at work, he would steal resources from the company and sell them to supplement his income while going to school. Seeing her eldest son in such conditions, the mother went behind the back of the father and helped her son buy a truck for the transportation of fuel so he could make extra money while going to school. For the middle son and for the daughter, the situation was very different. They were given a flexible budget and were not asked to pay back any of the money to their dad. These differences in treatment created a negative tension between the oldest son and the father.

The third incident relates to the father being kidnapped for a ransom by the FARC. During this time, the oldest son took charge of the business and negotiated to get his father back alive. Although the oldest son was able to both manage the business and get his father back safely, his father never thanked him for his efforts and focused on complaining because his son was soft and incapable when managing the business. This really set a precedent that further harmed the relationship between the father and the eldest son.

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5 Fuerzas Armadas Revolucionarias de Colombia (FARC) is a Colombian terrorist organization that is primarily funded by kidnap to ransom and the production and distribution of illegal drugs.
Results and Analysis

The data analysis and interpretation of results were conducted based on a three-step process. In the first step, the three interviewers individually evaluated the information they collected from the interviews and observations about each family member to determine the level of PE of each family member. Before the interviewers analyzed the information, they received a basic training session to understand the concept of PE and how to determine the behaviours that constitute different levels of PE. Based on this training, each interviewer independently evaluated each family member’s ability to perceive, understand and manage theirs and other emotions. To determine a family member’s ability to recognize emotions the interviewer’s behaviours being assessed, such as listening, how each member described each of the other members, and how they interacted in the family meetings. These behaviours allowed the interviewers to understand whether the family members were able to “read” the other members' behaviour and why it occurred. When assessing the ability to understand emotions, the interviewers based them ratings on family member actions that reflected empathy toward others. Finally, when determining each family member’s ability to manage their emotions, the interviewers focused on their communication patterns during meetings. These included: the tone of voice they used when interacting with others, the ability to provide constructive responses during heated interactions, the ability to stay calm when others were attacking them, and their reactions to other family member’s comments. Following this individual process, the interviewers met as a group to discuss their evaluations and perceptions about each family member and, as a group, enhanced a combined assessment for each family member. This assessment and information were then presented to the fourth scholar who had not been part of the data collection and had knowledge in the area of PE to help verify the accuracy of the family member’s assessments. A summary of the final assessment for each family member can be found in Table (2).

In the second step, the interviewers examined the data they collected based on the interviews and observations to determine the interpersonal dynamics that resulted based
on their interactions in the family, business, and ownership subsystems. Similar to other authors (Strike, 2013; Stuart and Jose, 2012; White et al., 2009), we viewed interpersonal dynamics as describing how family members related and interacted with each other when engaging in exchanges about issues in the different subsystems. Thus, to code these dynamics, the interactions during the various meetings were observed to determine whether family members participated in the various interactions, whether conflict was present during the communications, whether they believed that what others had to say was necessary, the amount of time that they spent talking about the issues they were facing, whether they respected one another during the interactions, and/or how they interacted with one another, just to mention a few. This process was done first individually and then as a group to verify the similarity of the interpretation of the observations. A summary of these observations can be seen in Table (3).

The third step included the interpretation of the information collected. To interpret the information obtained and answer the general research question of the paper, three questions were used:

(1) What was each family member's level of PE?

Table 2. Description of PE characteristics of each family member

<table>
<thead>
<tr>
<th>Family member</th>
<th>Ability to perceive emotions</th>
<th>Ability to understand emotions</th>
<th>Ability to regulate/ manage emotions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Father</td>
<td>He can perceive the emotions of the self and other</td>
<td>He is able to understand self and other’s emotions</td>
<td>He is not able to regulate or manage his emotions</td>
</tr>
<tr>
<td>Mother</td>
<td>Very good at perceiving emotions</td>
<td>Very good at understanding the emotions of herself and others. She is very empathetic</td>
<td>Very good at managing/ regulating her emotions</td>
</tr>
<tr>
<td>Older son</td>
<td>He is good at perceiving his and other’s emotions</td>
<td>He is also good at understanding his and other emotions</td>
<td>When he wants to manage his emotions, he is good at doing it</td>
</tr>
<tr>
<td>Middle son</td>
<td>He is very good at perceiving his and other’s emotions</td>
<td>He is very good at understanding his and other emotions</td>
<td>Out of the men in the family, he is the best at regulating and managing his emotions</td>
</tr>
</tbody>
</table>
Entrepreneurship Process As The Creation Of Business By Engaging Family Members: Based On The Perceived Emotion

<table>
<thead>
<tr>
<th>Family member</th>
<th>Family</th>
<th>Business</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Father</td>
<td>Although he can perceive and understand emotions, his belief that family should be ruled with a hard hand prevents him from having the best relationships with his wife and sons. There are a lot of conflicts in the interactions that he has with the family. He is able to recognize the emotions of his employees but is not able to manage these relationships. He uses the information about emotions to interact with other stakeholders but not with family members.</td>
<td>He believes that the other family members are stealing from him because he was the person who created the business and who manages the business, and given that the others did not do this, they are not “real owners” of the business. Because of this, the interpersonal dynamics in these systems are taut.</td>
<td></td>
</tr>
<tr>
<td>Mother</td>
<td>For her, the family is the most critical system in this business. Thus, she uses her PE to ensure that the family has harmonious relationships, and the unity of members is assured. Therefore, caring and empathy mark her relationships in this context. Although she does not confront her husband face to face, she knows that he does not treat employees the best way. So, she sees that employees are treated poorly she goes behind his back to try to fix the relationship.</td>
<td>Although she has good EI, the dynamics of her connections in this area are primarily influenced by the memory of her husband’s affairs. So, she prefers not to interact in this context.</td>
<td></td>
</tr>
<tr>
<td>Older son</td>
<td>This system is where he feels he can be himself. Because of Although the son has the right level of emotional</td>
<td>His dynamics in this context are affected by the actions of the</td>
<td></td>
</tr>
</tbody>
</table>

Table 3. Description of PE characteristics of each family member
Entrepreneurship Process As The Creation Of Business By Engaging Family Members: Based On The Perceived Emotion

(2) How did the level of PE play a role in interpersonal dynamics in the three subsystems?

(3) When did PE play a role in interpersonal dynamics in the three subsystems?

We first interpreted the information about levels of PE. Based on the general observations about each family member’s PE, we noticed that the women and the middle son were the best at perceiving, understanding, and managing their emotions followed by the son and lastly the father. It seems that based on the father’s perspective, “showing your emotions is a sign of weakness. And, in this industry, emotions have no role.” We believe that this point of view reflects the cultural orientation of this area of Colombia. Beliefs in Colombia are highly influenced by the traditional Roman Catholic Church. In this sense, men are traditionally seen as the head of the household and responsible for the family income. Hofstede and Hofstede (2005) describe Colombia as a culture high on power distance, low on individualism, highly masculine, and high on uncertainty.
avoidance. This means that in general, individuals in Colombia believe that the inequalities among people are a fact of life, and it is essential to belong to a group and align oneself with the opinions of that group. They are also highly success-oriented, competitive and status-oriented. Finally, they are generally conservative and have many rules on how individuals should behave. Thus, it seems like the father of this family is greatly influenced by the traditional belief that men should always be strong, and the primary way to show that strength is by not expressing their full range of emotions. For him, an act that shows “positive” emotions (e.g., love, caring, appreciation, or gratitude) is interpreted as a form of weakness and is not desirable. Thus, a successful manager needs to “control everything and have a strong hand.”

The second step in our interpretation was to evaluate how each member’s PE played a role in how they interacted with others in the family, the business, and the ownership subsystems. For the daughter, we noticed that her excellent PE capability helped her when interacting with family members in all the subsystems. In general, the daughter acted as a leader, helping them with issues that occurred in the interpersonal interaction in all of the systems. In the family, she helped when there were misunderstandings or poor treatment between family members. In the business, she assisted in the family (i.e., problems between father and sons) and non-family (i.e., issues between father and non-family employees) dynamics. In the ownership, she was not very involved but helped in what she could. For the mother, her PE also helped with the interactions in the family and business subsystems. Similar to the daughter, the mother viewed part of her job in the family and the business as helping others manage awkward interactions with family and non-family members. On the other hand, the mother did not interact with others in the ownership subsystem because it caused her to remember all the problems that the family had because of the father believing and wanting to control the ownership of the business. For the male members of the family, the story is a little different.

In the final stage of interpretation, we noticed that a family member’s PE capabilities were not always playing a role in the interpersonal dynamics. Thus, we looked for commonalities from the observations about the interactions of family members to
understand when did PE plays a role in interpersonal dynamics. There were three commonalities that we noticed affected when PE affected interpersonal dynamics. The first commonality was that family members chose when to use their PE capabilities. This choice changed how their PE was displayed in the interpersonal interactions with others. We noticed that there were several instances in which although individuals had functional PE capabilities, they often elected a course of action that was different from what would be expected of them. For example, although the oldest son had excellent PE capabilities, he decided not to use these capabilities during interpersonal interactions in the business subsystem. Given that his father had more significant influence and power in the business, he did not think it would be essential to use his PE capabilities when interacting with others because they expect him to behave like his father and to use a “hard hand,” something that he did not agree with. In the ownership sphere, we noticed a similar dynamic. When talking about ownership, we noticed that the mother, sons, and daughter did not like to engage in interpersonal conversations with the father about the business. Given that the father acted like the others are stealing from him, and that any discussion about ownership reminded the mother of the affair her husband had, these individuals preferred not to engage in interactions in this context to avoid negative conflict between family members. In the business subsystem, we noticed that the father’s belief in ruling with a hard hand and not showing emotions in the organisation affected the way he interacts with employees. In particular, we noticed that when the father perceived that an employee had done something wrong, his reaction was to punish or yell at the employee in the business to show the extent to which he has control over others. Although the mother and the daughter did not agree with what the father did, they never confronted him. Instead, they went behind his back to fix the relationships that he had broken and tried to explain his actions and provide comfort to others who had been hurt by the words of the father.

The second commonality that we found was that previous history affected how family members used their PE when interacting in different contexts. That is the family situation that occurred in the past influenced how members used their PE and how this affected the interpersonal dynamics in the three subsystems.
Finally, the third commonality pointed to the idea that the goals that individuals had for each subsystem influenced how individuals used PE in their interpersonal relationships for each subsystem.

Conclusions

This paper explored the role that PE intelligence had in the interpersonal dynamics of family business owners in the family, business, and ownership subsystems. In this case study, our observations indicate that PE played a role in the interpersonal dynamics of family members in different subsystems of the business. This role was moderated by three factors: willingness to use PE capabilities, the previous history between family members, and the individual goals that family members had in each subsystem. We believe that this exploratory study can shed some light on the importance of family dynamics and emotions for the viability of a family business. We also recommend that given the nature of our data collection method, future studies should continue to explore these issues in the family business context with other methodological approaches.

In this paper, we explored the role that emotions and emotion management play in the interpersonal dynamics that family owners enhance in the family, business, and ownership subsystems. Building on previous empirical and conceptual work on PE in the organisation and the family business, we suggested that an individual’s ability to perceive, understand, manage, and regulate emotions could play a role in the interpersonal dynamics that are owning members have in each of these subsystems. To illustrate our ideas, we conducted an in-depth case study in a family business context. Our observations indicate that a family member’s level of PE played a role in the interpersonal interactions members had in the family, business, and ownership subsystems, but there were three factors that influenced when individuals used PE in their interactions: willingness that individuals had to use their PE capabilities, previous history between members of the family, and the personal goals that individuals had in each subsystem. Based on our interpretation of the information collected in this case study, it seems that, like with any other ability, individuals can choose whether or not to use their PE when deciding how they will interact with others. As mentioned earlier, PE can serve as a source
of information for individuals when interacting with others. Thus, based on our observations, it seems that it is possible that people use the emotional information they obtain only when they want to invest the time in figuring out what it means and how it can help them when interacting with others. In this case study, we found that family members used or ignored the information about emotions they had gathered when engaging in interpersonal interactions with others. In this case, the role of PE was dependent on what the individual wanted to do. In a similar way, the previous history also influenced how individuals used the emotional information they obtained through their PE capabilities when interacting with others. In this situation, we observed some critical incidents that hindered how emotional information was used when interacting with others. Finally, our observations also indicate that the goals that individuals have can also affect how individuals use the emotional information they obtain through their PE capabilities to interact with others. We saw that individual goals could activate what becomes relevant to an individual and how they use this information in their interpersonal interaction. Thus, we believe that this case study provides a good first attempt for exploring and understanding the role that PE can play in interpersonal dynamics between owners of a business.

Although there are many research possibilities at the intersection of the entrepreneur and family business fields (see Goel & Jones, 2016; Kellermanns & Eddleston, 2006; Zellweger, Kellermanns, Chrisman, & Chua, 2012), in this paper, we offered three potential future areas that we believe can considerably advance both fields by combining and blending constructs and relationships specific to one field with those of the other field.

In Fig. (1), we offer a sketch of an example of a more possibilities-based perspective of family business interactions as a basis for guiding future studies. Although there are likely many potential future studies contributions arising from studies of the interactions occurring in the family business context, we propose that essential avenues for future studies include addressing the following questions: (1) How does testing the integrity of a family businesses potential possibilities in a society of query transform the family, business, and/or external community? (2) How does the transformation of the
family society of query and/ or the business society of query refine the nature of the potential possibilities? (3) How does the transformation of the business society of query (through the refinement of inherent opportunities) transform the family society of query and vice versa? (4) How and when does the sophistication of inherent possibilities lead to convergence of the family and business (or convergence within either sub-system)? (5) How and when does the refinement of potential possibilities lead to divergence of the family and the business (or divergence within either sub-system)? (6) Finally, how does the sequence of different engaging communities of query impact the evolution of the potential possibilities and the mind of the originator of the idea? (See fig. 1)

**Fig. 1.** A sketch of a possibilities-based perspective of family business interaction

In Fig. (2), we offer a sketch of an emotion-based entrepreneurial process in a family business as a basis for guiding future research. The creation of a family business begins with the family and some level of organising (a nascent organisation) and includes an emotional endowment that influences the extent of the entrepreneurial action. Entrepreneurial action, at the project level, can lead to success or failure, and these project outcomes affect the overall performance of the family business. The family businesses emotional endowment is made up of the emotional endowment of its various
sub-groups. Differences in emotional endowments can lead to conflict, which can, in turn, influence entrepreneurial action and the sub-groups’ emotional endowment from which the conflict initially arose. Indeed, the emotional endowment of the family’s sub-groups is influenced by the family businesses entrepreneurial action, project outcomes, and performance. Similarly, the nature of the family business itself can be affected by the family businesses entrepreneurial action, project outcomes, and performance. (See fig. 2).

![Fig. 2. A sketch of an emotion-based entrepreneurial process in a family business](image)

**Notice:**

Results of the present paper are significantly connected with the Ph.D. dissertation of Mohammad Heydari, which was written at the Nanjing University of Science and Technology entitled: "A Cognitive Basis Perceived Corruption and Attitudes Towards Entrepreneurial Intention." Supervisor: Professor Zhou Xiaohu, School of Economics and Management, Nanjing University of Science and Technology, Nanjing, Jiangsu, China. For more information about this dissertation, you can contact [Mohammad_Heydari@njust.edu.cn] and [njustzxh@njust.edu.cn]. There are some questions contained in this paper, which symbolize the purpose of further research. Also, it is necessary to mention that this paper is the result of the ten years of research in different countries on "Human and Organizational Behavior".
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