Strategic Entrepreneurship within Family Owned Firms vs. Corporate Decision Makers: Opportunities and Challenges[1]

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Entrepreneurship and intrapreneurship have emerged as research topics in recent times. Entrepreneurship is in fact a calculated, well-planned alternative to wealth generation and economic development. Entrepreneurship has emerged as the most significant driver of economic progress and job creation world over, particularly in developing countries. Entrepreneurship encompasses the act of organizational creation, renewal or innovation that occurs within or outside an existing organization (Sharma and Crisman, 1999).It is notable that a firm engages in strategic entrepreneurship when it simultaneously pursues exploration for future business domains, and exploitation of current domains. Superior performance often results from successful strategic entrepreneurship (Webb, Ketchen, and Ireland, 2010).When a firm attempts to stand out in both exploration and exploitation of new horizons for opportunities, challenges emerge as a by-product of the former. Studies have focused on strategic entrepreneurship without distinguishing the role of

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family involvement which is shaped by four key dimensions, viz. identity, justice, nepotism, and conflict. This creates differences in the nature of strategic entrepreneurship between family-controlled and non-family firms. The concept of strategic-fit states that an alignment between a firm's strategy and structure results in superior performance. However, it has been frequently argued that family firms differ in terms of their strategic behaviour, mainly as a result of the influence of the family on the firm's performance (Lindow, et.al, 2010).

It has become important for companies to unleash the entrepreneurial spirit latent in its employees enabling them to carve out new paths and initiate new ventures. There is an increasing body of knowledge relating to unleashing entrepreneurial energies in large organizations referred to as corporate entrepreneurship or intrapreneurship. In the corporate context, since the person leading the reinvention is not an autonomous entrepreneur, he/she is more appropriately referred to as an intrapreneur (Seshadri and Arabinda, 2006). Intrapreneurship is a major driver for organizational renewal or 'reinvention' and refers to both firm-level entrepreneurial content and firm-level entrepreneurial process. Intrapreneurship at any level (individual, group, or organization) fundamentally involves taking ownership thereby operating with an entrepreneurial mind-set within the organizational setting.

Entrepreneurship within Family Managed Businesses

Scholars claim that a family firm represents a unique and favourable setting for entrepreneurship to flourish (Aldrich, 1989). This positive perspective asserts that the family instead acts like "oxygen that feeds the fire of entrepreneurship" (Rogoff and Heck, 2003). Families that want to stay in business for generations do not have a choice but to encourage entrepreneurship in and out of their family firm (Davis and Roberts, 2014). Several reasons are noticed where families had to make a shift into entrepreneurial nature. Firstly, successful families see important changes in industry and adapt the changes by diversifying into new activities that can help the family firms to grow. Secondly, families succeed because they invest in productive activities (includes skill training and developing the next generation), understand and work upon the ways to grow assets, proper consumption and channelizing the resources for optimal use. These families develop and maintain a culture that encourages family members to create appropriate strategies of lasting value. Thirdly, successful families remain reasonably united, keeping supportive members loyal to one another and to the family's mission. By investing in potential entrepreneurs, families can also retain talented members contributing to the firm's wealth and mission. Investing in entrepreneurial activity has to be done objectively based on the feasibility of business plans, and also fairly within the family (Davis and Roberts, 2014).

The PwC's Family Business Survey (2016) report chalks out the role of family enterprises that have an enduring advantage over all other kinds of enterprise in large part because of their long-term goals, objectives, strategic plans, and commitments. Being highly ambitious and entrepreneurial, they are delivering solid profits even in an uncertain economic environment (PwC, 2012). This is supported with the notion that the growth in the Indian economy during FY-2014 (where GDP growth was marked 7.3 percent) and FY-2016 (GDP growth, 7.6 percent) is reflected in the growth of family business enterprises. India is the fastest growing major economy and Indian family businesses were expected to grow steadily (49 per cent) or quickly and aggressively (35 per cent).Indian family businesses feel confident in the existing market and there is openness with respect to growth strategy in terms of market conditions, opportunity in varied sectors, and mergers and acquisitions with industry or local players. Indian family business houses are more diversified vis-à-vis their global counterparts, with only 23 per cent limiting their businesses to one sector within India (PwC, 2016).

Many researches have studied leadership qualities within family organizations out of which harmony, health and longevity seemed to rule. Leaders in family business have also revealed that sheer courage, years of team work, dedication, commitment to a common goal, and unbreakable unity were also other attributes. There are examples of great people who have been able to build solid and successful family businesses: Lakshmi Mittal, Chairman and CEO, Arcelor Mittal, who towed the path in the Indian steel industry, is a good example of building a successful family business from the Asian terrain. Another example is Anand Burman, Chairman Dabur India, a fifth generation family member, who played a crucial role in growing the family business and made a remarkable contribution in turning the business into a multinational group. Adi Godrej, Chairman, Godrej Group is another example of sheer hardwork which resulted in the eponymous growth of family business both domestically and internationally. Pawan Munjal's remarkable contribution as Hero MotoCorp is an example of making the home ground business a global company and today the firm is a biggest manufacturer of motorcycles. Rajan Nanda, Chairman & Joint Managing Director of Escorts Group, a tractor manufacturing company, expanded the business into new markets and has linked it to a number of international firms. This shows the farsightedness of another generation joining family firm and taking it to another heights. Grandhi Mallikarjun Rao, Chairman of GMR Group, a family controlled infrastructure group, has made his contribution in the family business which has continued to grow strongly and expanded internationally. Arunchalam Vellayan is another example from the Murugappa Group. A fourth generation family entrepreneur, he has made a remarkable contribution and expanded business through acquisitions.

ENTREPRENEURSHIP WITHIN CORPORATE ORGANIZATIONS

The concept of corporate entrepreneurship is generally believed as the development of new ideas and opportunities within large or established businesses, directly leading to the improvement of organizational profitability and enhancement of competitive position or strategic renewal of an existing business. For large companies, creating new business is the challenge of the day. After years of downsizing and cost cutting, corporations have realized that they cannot shrink their way to success (Garvin and Levesque, 2006). Corporate entrepreneurship occurs when interactions among people within organizational contexts lead to change in existing organizational patterns and strategic choices. Courpasson, Dany, and Marti, (2016) explained the concept of organizational entrepreneurship "as framing organizational entrepreneurship as resistance, and moving away from managerial views". This argues that the challenge for today is to understand the processes by which some individuals do engage in intra-organizational struggles, defying the laws of organizational inertia in its multiple forms of control, despite the uncertainty of success and the risk of dismissal or stigmatization (Aldrich, 1989). Indeed, family firms that engage in innovative, proactive, and risk-taking behaviour also characterize corporate entrepreneurship.

A rising number of corporates are in search of diverse informative creative people (GEM, 2017); the rising role of corporate houses in terms of mergers and acquisitions with start-ups has seen a tremendous growth. The NASSCOM (2017) report describes some of corporate houses who have acquired start-ups, some of which includes Axis Bank who acquired Free Charge, an online payment platform; Kalyan Jewellers acquired Candere, a jewellery e-commerce platform. Some of global corporate viz. Google acquired Halli Labs; News Corp diversified media and information services acquired analytics start-up GyanMatrix. The Indian unicorn Paytm acquired Insider.in, an online ticketing and events platform; similarly Quickr acquired Zimmber, hyper local home services start-up (NASSCOM-Zinnov, 2017).An increased advent has been observed as part of the corporate initiatives for start-ups both Indian and global level specially focused at nurturing the start-up ecosystem. Some of the engagement with start-ups are establishing incubators/accelerators a promising way to better understand and leverage emerging technologies. Corporate dedicated funds for start-ups are aimed to aid the start-up community across financial, technological, customer acquisition, etc. Some corporates are even hand-holding start-ups by partnering with them to co-develop solutions and supporting the ecosystem by organizing events such as idea generation, workshops on validation of business ideas, pitching events, etc. (NASSCOM-Zinnov, 2017).

REVIEW OF LITERATURE

Previous researches have observed that, in these difficult days many family firms are required to engage in strategic renewal processes to survive (Hall et.al, 2001). According to Salvatore and Cristina (2013), "it is the long-term nature of family firms' ownership that allows them to dedicate the resources required for innovation and risk taking, thereby fostering entrepreneurship under the umbrella". Building on this approach, Zellweger and Sieger (2012) not only separated the different dimensions of entrepreneurial orientation but also extended and introduced a dynamic perspective to approaching intrapreneurship in family firms. They separated autonomy into external autonomy (autonomy from external stakeholders) and internal autonomy (empowering people) and argued that the former is earmarking high while the latter increases as the generations go on (Salvatore and Cristina, 2013). Eddleston, Kellermanns and Zellweger (2008) studied corporate entrepreneurship within family firms and concluded that, despite the potential benefit of entrepreneurship to sustain a family firm across generations, entrepreneurship has also been researched in the family business context. The findings suggest comprehensive decision making and a long-term orientation are positively related to corporate entrepreneurship in family firms. Family harmony moderates the relationships between human capital, professionalism, and long-term orientation fostering corporate entrepreneurship within the entity. Many researchers argue that effective family participation and involvement contributes to corporate entrepreneurship in family firms, and further the decision making process has had an influence of the entrepreneurship within family firms. Some of the researches criticize family firms for hiring family members who are not adequately qualified and often faced with less professionally managed environment (Bloom and Van, 2006; Pérez-González, 2006).

While family firms strive to exceed in their way towards growth, many of the corporate companies are no longer competing with each other to offer a better product/service, but to employ potential people, to enhance the growth of the enterprises. Some of the corporates have realized the prospects of intrapreneurship in generating new ideas, creating new business models as well as recognizing and retaining potential talent. The arena for intrapreneurial innovation could be an existing business, and, at times, could even result in a totally new business being created within the organization (Seshadri and Arabinda, 2006). Mustafa, Yeter, and Bilge (2013) investigated the relationship between institutionalization factors and corporate entrepreneurship in Turkish family firms. The findings revealed significant relationships between the dimension of institutionalization and the dimension of corporate entrepreneurship where the autonomy dimension of institutionalization positively affects dimensions of corporate entrepreneurship. Some of the attributes which stand out to be significant were, risk taking, proactivity and innovativeness.

Chandra and Mathur (2017) investigated the entrepreneurial inclination among family owned firms and corporate decision makers, a study conducted on 240 owners and managers from family owned firms and corporate houses. The findings revealed significant difference between the attributes, entrepreneurial inclination, aspiration to choose entrepreneurship as a career option, among family owned businesses and decision makers in the organizations. It was noted that the entrepreneurial skill development training programmes and work experience has had a significant effect on innovations in existing business and development of new ideas. The training group was found to be better in building business models than the non-training group and was better able to seek funds and support from banks or funding agencies. Student entrepreneurs and start-ups were found better in conceptual clarity as they had undergone academic mentoring and were able to work on more than one business idea(s). In contrast, experienced executives were found better on market conceptual clarity based on the analysis of the market feasibility of product/service because of previous professional experience. Another study by Chandra and Mathur (2016) found that respondents who had family businesses were more inclined in introducing innovation in current business, and significantly differed in the dimensions of achievement in businesses, innovation in business, and perceived control of business outcomes.

Entrepreneurial competencies do play a significant role in shaping a person. Many of the studies have focused on psychological attributes and competencies to find out the characteristics and skills which can work as a tool to predict entrepreneurship as a career choice of people (Ismail, Zain, and Zulihar, 2015). To be a successful entrepreneur, the person needs to recognize the characteristics and skills of one's own self, in order to perform self-reflection on the potential entrepreneurial competence. Several studies have identified attributes which when nurtured properly during the development years of education can help impart and enhance entrepreneurial competencies. These include need for achievement, need of autonomy, need of power, social orientation, self-efficacy, endurance; and risk taking propensity. Other skill components consist of market awareness, creativity, flexibility etc. Some researchers have observed that the traits of locus of control, tolerance for ambiguity, self-confidence and innovativeness are significant in differentiating entrepreneurs from non-entrepreneurs (Richa, 2017). According to Wennekers (2006), 50 per cent of businesses that have been successfully established could disappear within five years if they cannot survive. Therefore, provision of capital must not only be based on estimation of financial projections but as the consideration, it will be better if entrepreneurial characteristics are also measured objectively which has the effect on the survival of business. Almobaireek and Manolova, (2012) observed that attitude towards entrepreneurship and perceived behavioural controls are likely to be positively connected with entrepreneurial intentions and higher self-employment intentions.

OBJECTIVES

The objective of the present study is to investigate entrepreneurial inclination and its effect on strategic entrepreneurship among members of family owned firms. This could be either the diversification or expansion of current business by introducing new product/service or by expanding the subdivision or local offices other than the place of head offices of the organization they are associated with. In today's time new product development is essential for sustaining and outstanding performance for any business. Family business enterprises and corporate organizations we surveyed in the present study represent diverse sectors including manufacturing, service, logistics, retail, automotive, and construction. Interestingly, despite differences in their sizes, locations, and industry sectors, there was a marked similarity in their performance, approaches to internationalisation, and views on the qualities that set family businesses apart from other enterprises.

METHODOLOGY

A total of 240 owners/managers and key corporate personnel from different organizations and business unit across Gujarat were selected as a representative sample. The sample was further divided into (a) sectors (family owned business vs. corporate), (b) skill based training in entrepreneurship (trained vs. non-trained) which they have received partly to introduce innovation in current system, and (c) work experience (experienced vs. fresher/non-experienced). A personal information data sheet was used to get data for demographic characteristics of respondents.

Entrepreneurial Attitude Orientation scale (EAO) developed by Hunt et. all., (1996) to predict entrepreneurship was used for data collection. This tool is based on a three-part model that states that cognition (thought), affect (feeling), and conation (behavioural intentions) are fundamental components for orienting attitudes towards achievement, innovation, personal control, and self-esteem. It is based on 75 statements and has four subscales: (a) achievement in business, (b) innovation in business, (c) perceived personal control over business outcomes, and (d) perceived self-esteem in business. The range of the four EAO subscale scores is 1.0-5.0, on each subscale; higher the value, more entrepreneurial the individual is predicted to be. The Spearman's reliability and validity ranged between 0.53 and 0.93, which shows that entrepreneurs' EAO scores are slightly higher than non-entrepreneurs.

RESULTS AND DISCUSSION

The results of the present study are:

Table 1(a): Mean Score and SD values for 2x2x2 ANOVA

Experimental Groups	Mean scores	SD value
A1	19.97	8.66
A2	23.43	8.47
B1	21.69	11
B2	21.7	8.73
C1	23.45	9.22
C2	19.94	7.85
A1B1C1	21.13	9.52
A1B1C2	21.53	9.22
A1B2C1	18.7	8.31
A1B2C2	18.5	7.46
A2B1C1	24.13	6.51
A2B1C2	27	10.41
A2B2C1	22.8	9.76
A2B2C2	19.77	4.54

A1= family owned business, A2= corporate; B1= skill training in entrepreneurship
B2= non-trained;C1= experienced, C2= fresher's/non experienced

Table 1(b): Mean Score and F Values for 2x2x2 ANOVA

Group	df (n-1)	Sum of Squares	Mean Sum of Squares	F value
Main effect				
Sector (A)	1	717.6	717.6041	10.129**
Skills (B)	1	0	0.0041	0.000^{NS}
Experience (C)	1	738.5	738.5041	10.424**
Interaction effect				
Sector (A)*Skills (B)	1	0.5	0.504	0.007^{NS}
Sector (A)* Experience (C)	1	36.04	36.037	0.509^{NS}
Skills (B)*Experience (C)	1	158.44	158.437	2.236^{NS}
A*B*C	1	263.77	263.775	3.723^{NS}
Error	233	16436.37	70.85	-
Total	239	18192.8	76.12	-

* Significant at .01 level, ** significant at .05 level, NS= not significant

Table 1(c): Analysis of Variance for the Dimension of Achievement

Criterion Groups		Mean Sum of Squares	Mean Scores	df	F value
Sector	Family owned business	79.94	10.1	1	4.0**
	Corporates		9.37	1	
Skills	Trained	452.4	10.61	1	22.62*
	Non-trained		8.87	1	

* Significant at .01 level, ** significant at .05 level, NS= not significant

Table 1(d): Analysis of Variance for the Dimension of Innovation

Criterion Groups		Mean Sum of Squares	Mean Scores	df	F value
Sector	Family owned business	230.88	58.69	1	13.96NS
	Corporates		62.62	1	8.78**
Skills	Trained	1751.04	62.36	1	6.66**
	Non-trained		58.95	1	
Experience	Experienced	384.87	55.88	1	14.62**
	Fresher/non-experienced		64.49	1	17.86NS

* Significant at .01 level, ** significant at .05 level, NS= not significant

Table 1(e)
Analysis of Variance for the Dimension of Perceived Control in Business

Criterion Groups		Mean Sum of Squares	Mean Scores	df	F value
Sector	Family owned business	288.2	288.2	1	4.476*

* Significant at .01 level, ** significant at .05 level, NS= not significant

Table 1(f)
Analysis of Variance for the Dimension of Perceived Self-Esteem in Business

Criterion Groups		Mean Sum of Squares	Mean Scores	df	F value
Sector	Family owned business	288.2	288.04	1	4.476*
	Corporates		102.704	1	
Skills	Trained	348.006	218.504	1	4.208*
	Non-trained		270.937	1	
Experience	Experienced	293.003	293.865	1	5.23**
	Fresher/non-experienced		305.662	1	

* Significant at .01 level, ** significant at .05 level, NS= not significant

Table 1(a) represents the mean score and SD values for analysis of variance ANOVA on the Entrepreneurial Attitude Orientation (EAO) scale on the identified sectors in the present study which are family owned businesses and key executives working in the corporate sectors. Similarly, Table 1(b) depicts the overall calculated mean scores and f values using a 2x2x2 factorial designs on various identified variables measured in the present study. These variables are (a) sectors (family owned businesses and corporates), (b) skills (skill training in entrepreneurship and non-trained group), and (c) work experience (experienced and fresher's/non-experienced). There is a significant difference observed between the sectors (10.129; p=<0.000) and work experience (10.424; p=<0.000).

The calculated mean scores and f values of 2x2x2 analysis of variance for the dimension of 'Achievement' on the scale of Entrepreneurial Attitude Orientation (EAO) stands out to be statistically significant for the variables of sector (4.0; p=<0.000) and skills (22.62; p=<0.01) (see Table 1{c}). Table 1(d) represent the calculated mean scores and f values of 2x2x2 analysis of variance for the dimension of innovation on the scale of Entrepreneurial Attitude Orientation (EAO). There is a significant differences observed between the variable of sector (corporate executives) which is to 8.78 (p=<0.000). Similarly the variable'work experience', further showed statistically significant differences within the experienced groups i.e. 14.62 (p=<0.000).

The calculated mean scores and f values of 2x2x2 analysis of variance for the dimension of 'Perceived Control in Business' on the scale of Entrepreneurial Attitude Orientation (EAO) (presented in Table 1{e}) observes the statistically significant differences only for the variable of family owned business which is calculated as 4.476 (p=<0.01). Table 1(f) depicts the calculated mean scores and f values of 2x2x2 analysis of variance for the dimension of 'Perceived Self-Esteem in Business' on the scale of Entrepreneurial Attitude Orientation (EAO). The significant differences were observed between the variables of sector (4.476) (p=<0.01), skills (4.208) (p=<0.01) and experience (5.23) (p=<0.000) respectively.

Parallel to the incorporation of entrepreneurship in family business, the field of entrepreneurship has evolved rapidly in the past two decades (Goel and Jones, 2016). Entrepreneurial exploration and exploitation have been distinguished from other entrepreneurial actions because they aimed at creating resources and finding new applications for existing resources that are not fully visible because of dispersed knowledge about the means–ends relationship (Hayek, 1945; Lee and Venkataraman, 2006). Family-owned firm is a hybrid of family and enterprise. Conceptually, family members view it as an independent entity and hold a new perspective "the function of family is to foster the enterprises so that both business and family can flourish". Business owners flourish on their own insight and carry out management reforms and innovation for surviving, making it a new enterprise to adapt to a new economy. Many family firms adopt concept innovation, working on advanced ideas and concepts as a prerequisite for the survival and development of the business unit (Xia, 2005). Concept innovation is the source and soul of management innovation, which lays the premise for other innovations. In order to succeed in a market economy and strive for sustainable development, family businesses have the liberty to bring new changes and innovation in the current system (Liu and Chen, 2014).

Another of its kind for the firms who are experimenting the entrepreneurial path is a journey from Tactical Competition to Strategic Competition. According to the traditional strategic theory, the relationship between enterprises is either competition or partnership. Indeed family business owners/founders select the direct fight or direct competition to bring their firms to newer heights thereby fighting for survival. But, it can sometimes lead to negative effect. As the competition gets more intense, especially in the long term, the biggest loser is family business themselves (Xinde, 2007). It is often questioned whether the family acts as a resource or a constraint in family business. Family firms are often depicted as having problems with nepotism and hiring family members who lack the appropriate skills or experience, often referred to as adverse selection (Eddleston, Kellermanns, and Zellweger 2008). Leaders of family firms are also commonly portrayed as limiting family members' involvement in decision-making and being reluctant to invest in innovation or entrepreneurship. However, recently research has taken a very different view of the family and considers how family members can act as stewards of their firms, thereby contributing to firm performance.

On average, family firms have a smaller R&D budget than other organizations of similar size, but the level of innovation is higher in family firms. Family firms are more efficient in their innovation processes and get more innovative output, measured by number of patents, number of new products, or revenues generated with new products (Nadine and Marc, 2017).

The results of PwC's India Family Business Survey (2016), revealed that 75 per cent of Indian family businesses have grown in the last twelve months; the next five years growth plan of these unit is assumed at 84 percent. It is expected to grow either steadily, quickly, or aggressively. While 56 per cent of Indian family businesses aspire the need to innovate, only 15 per cent of family businesses have a robust, documented and communicated succession plan; 35 per cent plan to pass on management to the next generation and 48 per cent plan to pass on ownership while bringing in professional management. Family businesses have largely recognized the need to professionalize their operations and processes, but enjoying work, staying interested, making a contribution to society and the community, and leaving a legacy are also important to family business owners. Another interesting finding is that while the ability to attract talent comes later in the list of challenges, businesses aim to bring in more professionals to give future direction over a span of next five years.

While family firms are in continuous pressure for sustenance and growth, corporate organizations today are also in a state of flux. In this competitive scenario, continuous innovation and improvement are imperative for any organization to stay in place. Intrapreneurial companies allow employees to take risk without the fear of personal loss in case of failures, and reward employees by letting them get rich from their creations. The goal of the organizations is to merge entrepreneurial commitment, innovative behaviour, and advanced technology with capital availability, marketing strength, and distribution channels. Corporate entrepreneurs are remodelling the 'inter' and 'intra' business environment for their organizations to thrive and play a significant role in not only national but also global economic scenario. Therefore it becomes necessary to unleash the entrepreneurial spirit and understand the behavioural composition latent in the employees.

Opportunities and Challenges for Family Owned Firms and Corporate Organizations

Entrepreneurial alertness is another trait for entrepreneurs; the SWOT analysis helps entrepreneurs to explore and get the advantage of new opportunities. Entrepreneurs do not have to seek opportunities all the time, rather they should have knowledge and information about the environment. They should take advantage of opportunities to develop new ideas, products, and services. Opportunity identification is at the core of entrepreneurial ability. Entrepreneurs' capability to identify opportunities affects development of new ventures. Entrepreneurial alertness facilitates discovering emerging markets. Successful entrepreneurs are independent and have abilities to forecast profits (Kristiansen and Indarti, 2004).

One of the greatest challenges faced by intrapreneurs is finding an organization that has the entrepreneurial mindset and infrastructure to support what they do and how they do it. They not only deal with the nuances of building a new business, but also deal with the obstacles that the current operating environment puts in their way. Intrapreneurs often find themselves trapped in organizations that claim they are entrepreneurial when in fact they are not. Finding an organization that truly embraces entrepreneurship, the idea of employee's driving change throughout every aspect of a business is difficult. Employees are increasingly driving change from within to improve well-being, engagement, health, business lines, and client service, while more and more companies open their minds to this idea of employee driven innovation. This requires a dramatic shift in culture, thinking, and management styles. The biggest hurdle to culture change is simply evolving the way people within an organization think, which for any intrapreneur is a stepping stone to success.

Running a family business creates both opportunities and challenges. Opportunities stem from the ability of these businesses to weave their own family values right through the company's culture. For many of these businesses there is a close personal connection between company's owners and customers, and indeed between owners and the wider community in which the firm operates. These close connections significantly help in building and maintaining good reputations. In addition, the flatter structures in family-run businesses often allows for faster flow of information and quicker decisions which leads to greater efficiency. From the perspective of social capital, one can ask whether a family's social capital makes the family more inclined or able to explore versus exploit. Management scholars and sociologists have conceptualized different kinds of social capital, including structural, relational, cognitive (Nahapiet and Ghoshal, 1998), bridging (Burt, 1982), and bonding social capital (Coleman, 1988), and linked it to differential values in different institutional and action contexts. From the perspective of strategy, the challenges is: Does a family business's long-term business and corporate-level strategy affect specific customer segments, domains, or geographic areas where it operates and are there specific areas and structures in the family where its competencies relative to exploration or exploitation are adequate? The ability to innovate and retain talent is likely to be a major challenge for not only for family businesses but to corporate ventures along with adapting to new technologies. Although about 65 per cent of the companies in the sample offered employees freedom to use their skills, only 34 per cent of them offered them freedom to use their own judgment, which to some extent limits the freedom of employees to come up with new and innovative ideas at their workplace.

CONCLUSION

The key challenges perceived by the respondents' future prospects are more or less same as those perceived by businesses across the world, the need to innovate, and keeping pace with digital and new technology, attracting or retaining talent and dealing with competition. Family businesses also recognise the need to professionalise their operations and processes. Respondents who have work experience have reported of having high entrepreneurial inclination with the fact that they were very good in market conceptual clarity which they have gained over the years of interacting directly with the customers and competitors as well as their in-depth understanding of the market. The main sources of the study are perceptual data provided by one person from each organization, particularly the business owner, founder, CEO, company president/chairman, or general manager of the family business. In viewing their organizations and environment, there are tendencies that individual managers have their perceptual biases and cognitive limitations. It shows that an entrepreneurial orientation the propensity for a firm to be innovative, risk-taking and proactive has a direct relationship with firm performance. Business owners/managers must seriously think about implementing policies and procedures to promote an entrepreneurial orientation. Porter (1996) proposes that innovation, risk taking, and proactiveness are important mechanisms to ensure afirm's survival and performance.

LIMITATIONS

Main limitations of the present study are the limited variables and geographical constraints. The measures used are related to the areas of sales growth rates, market share, profits after taxes, and overall performance. There may be other measures or dimensions that are more suited to measure a firm's performance.

SCOPE FOR FUTURE RESEARCH

The study will be helpful for academicians, business advisors, founders/owners, and change managers as it throws light upon the entrepreneurial orientation, the effect of training, and personality disposition/traits of the owners/managers. The study is designed to make contributions for both academicians and potential entrepreneurs. The challenges faced by them are discussed and the opportunity identification will prove supportive. Future researches can focus on more specified variables relating to competencies. For future research to improve family business management, it must help managers do one or more of the following: more accurately define problems and opportunities concerning the environment or organizational capability; refine goals and objectives; generate better strategic decisions; improve the implementation of strategies, policies, procedures, and tasks; or facilitate the evaluation and control process.

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