

Contents

<i>List of Figures</i>	ix
<i>List of Tables</i>	xi
<i>Notes on Contributors</i>	xii
<i>Preface</i>	xv
<i>Jordi Canals</i>	

Introduction	1
<i>John L. Ward</i>	

Part I Building the Future

1 Learning from Practice: How to Avoid Mistakes in Succession Processes	9
<i>Guido Corbetta</i>	
2 The Shape of Things to Come – Emotional Ownership and the Next Generation in the Family Firm	29
<i>Nigel Nicholson and Åsa Björnberg</i>	

Part II From Promises to Results

3 Power as Service in Family Business	55
<i>Miguel Angel Gallo</i>	
4 A Classification Scheme for Family Firms: From Family Values to Effective Governance to Firm Performance	71
<i>Pramodita Sharma and Mattias Nordqvist</i>	
5 How Values Dilemmas Underscore the Difficult Issues of Governing the Large, Enterprising Family	102
<i>John L. Ward</i>	

Part III Finding the Right Structure

6 Toward a Typology of Family Business Systems	127
<i>John A. Davis</i>	

7	Embeddedness of Owner-Managers: The Moderating Role of Values <i>Sabine B. Klein</i>	155
8	Single Family Offices: The Art of Effective Wealth Management <i>Heinrich Liechtenstein, Raffi Amit, M. Julia Prats and Todd Millay</i>	166

Part IV The Value of Family Business

9	The Impact of Family Business on Society <i>Fernando Casado</i>	197
10	Fair Process and Emotional Intelligence <i>Ludo Van der Heyden and Quy Nguyen Huy</i>	214
11	Family Firms and the Contingent Value of Board Interlocks: The Spanish Case <i>Erica Salvaj, Fabrizio Ferraro and Josep Tàpies</i>	236
	Conclusion <i>Josep Tàpies</i>	260
	<i>Index</i>	267

List of Figures

1.1	The integrative model of successful FOB successions	10
1.2	The age factor	15
4.1	Seven possible roles of internal family firm stakeholders	79
4.2	A stakeholder map for Nick's Landscaping Services (NLS)	80
4.3	Performance = FIT between family values, family involvement and governance structures	82
5.1	Governing the enterprising family	104
5.2	Governing the three circles of interest	106
5.3	A summary of the values dilemmas	120
6.1	Three-circle model of the family business system	128
7.1	Value-attitude-interaction-model	158
7.2	Value-commitment-embeddedness-interaction-model	159
7.3	The influence of values on embeddedness: moderating variables	161
7.4	Values driven by different principles and their effect on embeddedness	162
8.1	Location of SFO headquarters	176
8.2	Family wealth distribution	177
8.3	Number of generations served by the SFO	178
8.4	Key SFO objectives	179
8.5	SFO benefits	180
8.6	SFO governance – types of committee	184
8.7	Use of governance committees	184
8.8	Asset allocation (by geography)	186
8.9	Investment objectives – billionaire versus millionaire SFOs	187
8.10	Investment objectives – first generation versus later generation SFOs	188
10.1	Emotional levers for organizational change according to Huy	219
10.2	Fair process framework due to Van der Heyden et al.	221
10.3	The science of fair process: the relationship between fair process and performance as identified by Limberg in the strategic product planning process of 15 German manufacturing plants	226

10.4	How fair process improves organizational performance AND individual satisfaction	228
10.5	The virtuous cycle of fair process : building trust and motivation	229
11.1	Network of Spanish firms	246
11.2	Network of Spanish family firms	248
11.3	Network of top 20 Spanish family firms by betweenness	251

List of Tables

0.1	Values common in non-family firms versus values common in family firms	5
1.1	The generational challenge	26
2.1	Four manifestations of emotional ownership in family firms	34
5.1	Governance transformation	103
5.2	From siblings to cousins	105
5.3	Owners' charter	107
5.4	The "difficult issues"	108
5.5	The most difficult of the 20 difficult issues	121
6.1	Typologies based on system characteristics	128
6.2	Developmental typologies	129
6.3	Family business system features	133
6.4	Intensity of family involvement with business	145
6.5	Family stage characteristics	149
8.1	Number of households served by SFOs	178
8.2	SFO functions – perceived importance	181
8.3	SFO functions – service organization	182
8.4	Asset allocation	185
8.5	Asset allocation by generations	188
9.1	International comparison of family businesses	199
9.2	Business transfers by country	203
11.1	Top 30 Firms by betweenness centrality	244
11.2	Top 20 family firms by betweenness centrality	245
11.3	Incidence of firms by region	245
11.4	Descriptive statistics	247
11.5	Differences in the centrality measures between family firms and non-family firms	247