

**CAUSES OF CONFLICT IN FAMILY-OWNED BUSINESS**



**A THEMATIC PAPER SUBMITTED IN PARTIAL  
FULFILLMENT OF THE REQUIREMENTS FOR  
THE DEGREE OF MASTER OF MANAGEMENT  
COLLEGE OF MANAGEMENT  
MAHIDOL UNIVERSITY  
2015**

**COPYRIGHT OF MAHIDOL UNIVERSITY**

Thematic paper  
entitled  
**CAUSES OF CONFLICT IN FAMILY OWNED-BUSINESS**

was submitted to the College of Management, Mahidol University  
for the degree of Master of Management

on  
May 2, 2015



.....  
Miss Chavaporn Thummakul  
Candidate

.....  
Assoc. Prof. Vichita Ractham,  
Ph.D.  
Advisor

.....  
Asst. Prof. Randall Shannon,  
Ph.D.  
Chairperson

.....  
Assoc. Prof. Annop Tanlamai,  
Ph.D.  
Dean  
College of Management  
Mahidol University

.....  
Dr. Poomporn Thamsatitdej,  
D.B.A.  
Committee member

## ACKNOWLEDGEMENTS

I would like to express my sincere gratitude to my thematic advisor, Assoc. Prof. Vichita Ractham for her suggestions and support throughout the course of thematic paper. She is not only gave me various knowledge related to the study, but also words of encouragement which help me to move on and achieve this challenging study.

Secondly, I would like to thank you my friends Ms. Pannarat Wattananateepat, Mr. Ekasit Pratheepkongjaroen, Ms. Chutinat Thasananuphan, Mr. Patrick Theparak, Mr. Thanapat Wongsalangkul and their parents, who share their information and insightful experience of working within family-owned business, which greatly contribute the quality data of this study. Without their assistance and support, this thematic paper would not have been completed.

Last but not least, I am grateful for my whole family, especially my aunt, Ms. Pradhana Thummakul , and my parents Mr. Apichat and Ms. Wanlapaporn Thummakul, for their strong support and encouragement throughout my excellent years in CMMU.

Chavaporn Thummakul

## **CAUSES OF CONFLICT IN FAMILY OWNED-BUSINESS**

CHAVAPORN THUMMAKUL 5649213

M.M. (ENTREPRENEURSHIP MANAGEMENT)

THEMATIC PAPER ADVISORY COMMITTEE: ASSOC. PROF. VICHITA RACTHAM, PhD., ASST. PROF. RANDALL SHANNON, Ph.D., Dr. POOMPORN THAMSATITDEJ, D.B.A.

### **ABSTRACT**

The purpose of this study was to find the causes of conflict in Thai family owned-business and suggest methods for prompt conflict resolution. The research was adapted to illustrate the relevant relationship between business conflict and independent variable; family dynamic, work and relationship role as potential factors for conflict in family business. The three-circle model was used for data analysis and the types of Thai family business structure were used for describing sources and characteristics of conflict. Data was collected by qualitative method, using open-end interview questions. Ten interviewees were chosen from different types of family business. These included 5 successors and 5 owners who work together in daily operation.

The results of this study showed the root of problems that must be quickly identified to allow owners and successors to work together. Furthermore, this paper also recommended methods to help manage and minimize conflicts in family business, which lead to improved working relationship between family members and promote disagreement to become advantageous to the prosperity of the business.

**KEY WORDS:** Causes / Conflict / Family Owned-Business

31 pages

## CONTENTS

	<b>Page</b>
<b>ACKNOWLEDGEMENTS</b>	<b>ii</b>
<b>ABSTRACT</b>	<b>iii</b>
<b>LIST OF TABLES</b>	<b>vii</b>
<b>LIST OF FIGURES</b>	<b>viii</b>
<b>CHAPTER I INTRODUCTION</b>	<b>1</b>
<b>CHAPTER II LITERATURE REVIEW</b>	<b>3</b>
2.1 Definitions	3
2.1.1 The definition of the family business	3
2.1.2 Conflict in the family business	4
2.1.3 Conflict in the family business environment	4
2.2 The family business structure	5
2.2.1 The three-circle model	5
2.2.2 Level of conflict in the three-circle model	7
2.3 Related factors of conflict in the family business environment	8
2.3.1 Work role	8
2.3.2 Relationship role	8
2.3.3 Family dynamics	9
2.4 Thai family business structure	9
2.4.1 Categories of Thai family business	10
<b>CHAPTER III RESEARCH METHODOLOGY</b>	<b>12</b>
3.1 Research design	12
3.2 Sampling	13
3.3 Data collection	13
3.4 Research questions	13
3.4.1 Leading questions	13
3.4.2 Work role	14

## **CONTENTS (cont.)**

	<b>Page</b>
3.4.3 Relationship role	14
3.4.4 Family dynamics	14
<b>CHAPTER IV RESEARCH FINDINGS</b>	<b>15</b>
4.1 Work Role: Different perspective in working styles	15
4.1.1 Relationship versus technology	15
4.1.2 Leadership styles of owner	16
4.1.3 Assessing conflict: different perspectives in working styles	16
4.2 Relationship Role: Confusion between relationship and business role	18
4.2.1 Assessing conflicts: confusion between relationships and business roles	19
4.3 Family Dynamic: Influence of family dynamics	21
4.3.1 Assessing conflicts: influence of family dynamics	22
4.4 Discussion	23
4.4.1 Common values and belief	23
4.4.2 Command	24
4.4.3 Communication	24
4.4.4 Commitment	24
4.4.5 Financial control	24
4.4.6 Role clarity	24
<b>CHAPTER V CONCLUSIONS</b>	<b>27</b>
5.1 Conclusions	27
5.2 Recommendations	28
5.2.1 Create fairness in family business	29
5.2.2 Provide essential training for successor	30
5.2.3 Open and clear communication	30
5.2.4 Slow transition process	31

**CONTENTS (cont.)**

	<b>Page</b>
5.3 Limitations of the research	31
5.4 Suggestions for further research	31
<b>REFERENCES</b>	<b>33</b>
<b>BIOGRAPHY</b>	<b>38</b>



## LIST OF TABLES

<b>Table</b>	<b>Page</b>
4.1 Summary of conflict in family business	25





## LIST OF FIGURES

<b>Figure</b>	<b>Page</b>
2.1 The three-circle model of family business	6
2.2 Multiple level of individual and collective conflict in the family business environment	7
2.3 Category of family business	10
3.1 Related factors of conflict in family business	12
5.1 The element of fair process	29



## **CHAPTER I**

### **INTRODUCTION**

Family business is part of the foundation and engine of global economy. In Asia, family businesses are commonplace, where different levels of control and management varies between countries (Chua, 1991). Thailand is an industrialized Asian nation where its economy has grown and partially driven by family-owned businesses (Chaimahawong & Sakulsriprasert, 2013). Family businesses in Thailand can be divided into two groups, small and medium enterprises (SMEs), where 80% are operated by family members (Wright, 2001). Nevertheless, working as a family business is not always a simple and smooth operation. For example, some family businesses in Singapore are controlled by non-family members; this happened because of arguments and lack of cooperation between children and parents who own the business, such as Scotts Holding, Yeo Hiap Seng and CK Tang. As a result, they are not portrayed well in the media spotlight (Lee, 2006). When working within a family business, one of the critical issues that cannot be avoided is conflict. As in every other company, the family business also faces a change of ownership issue when the parents have to decide whether to continue to be involved, or step down to allow a successor to inherit or take over the business. Potential successors have to prove themselves, by working hard to satisfy their parents' expectations. This can have an adverse effect on the relationship between family members.

Stern (2006) explained that family businesses operate as a hierarchy; the parents have the responsibility to provide facilities for the family and maintain its survival, however the business may not always be profitable. It is essential that parents take responsibility for the care of their children, and encourage them to inherit the family values. This role play may overlap in different target areas and often causes conflict. The conflict usually occurs from different viewpoints of operation problems for example, strategic management, decision-making power, assignment difficulty, and how family members should select which roles to play in the business (Miller & Friesen, 1984). When working together with family members, the boundary between

family and business is often unclear. There are conflicting roles of employee and child reporting to boss and parent which can cause problems. If the relationships among family members are already vulnerable, then this may cause a negative impact on the business (Beckhard & Dyer, 1981). The family business has to adequately deal with these issues to stabilize the company during the ownership transition period. Statistics from PwC's Next Generation Survey 2014, show that 85% of the next generation wants to achieve following in the footsteps of their parents, and 80% have ambitions for large scale changes to the business (Amin, 2014). Many desire to internationalize the family business, introducing new and better technology with IT systems, or try to expand into capital areas like dividends and finance. They see the need to gain credibility from their parents, employees and customers before the inheritance takeover. On the contrary, current generation leader are also worried that their children might be unable to control the entire business system; some prefer to bring in non-family members to take over the business.

Hence, timely conflict management is crucial for every family business operation, especially as friction has a negative impact in the work place. Family businesses are the foundation of the Thai economy (Thornton, 2002), typically, they will face difficulties in management caused by conflict from either the family or the business system. Thus, family business disputes need prompt resolution; the root of the problem must be quickly identified to allow the successors and owners to work together. If this is efficiently achieved, then not only it will help to prevent family business disputes, but also strengthen family relationships.

This paper aims to study the causes of conflict within Thai family owned businesses and suggest methods for prompt conflict resolution. The results of this research will hopefully lead to improved working relationships between family members and thus prevent unnecessary future conflict.

## **CHAPTER II**

### **LITERATURE REVIEW**

The literature review can be categorized into four sections: the definition of a family business, the components of conflict within a family business, factors likely to create conflict within the family business environment, and lastly, the Thai family business structure. These all assist in the understanding of the characteristics of the family-owned business in Thailand.

#### **2.1 Definitions**

##### **2.1.1 The definition of the family business**

Family businesses can be described by many broad definitions depending upon the area of the business that the family is involved in (Smyrniotou et al., 2003). Davis (1983, p.47) adopted a concise meaning and distinctive characteristic in a family business as “the interaction between two set of organizations, family and business, that establishes the character of the family business and define its uniqueness.” Dunemann and Barret (2004, p.7) gave the definition of a family business as, where “family dynamics and business illustrate, interact, and influence each other.” However, the majority understand a family business to consist of a family and business system diffusing one another (Whiteside & Brown, 1991), where the overlapping of the two systems can cause disputes. According to Ward (1987), families are likely to be emotional, but business is an intention. Families give unconditionally while business will give based on one’s benefaction. The overlapping of systems between family and business will always conflict and tend to have an influence on the family business (Boles, 1996).

### **2.1.2 Conflict in the family business**

Wall et al., (1986) explained the characteristic of conflict as “substantive”, from “work disagreement, or affective, made of emotionally-charged interpersonal clashes characterized by anger and other forms of negative affect.” Pelled (1996) stated that conflict occurs from disagreements about work issues, including work goals and other elements such as decision-making to achieve the task. The owner of a family business may dispute with other family members for example, the owner normally wants to maintain family ownership but the successor may think differently (Beckhard & Dyer, 1983).

### **2.1.3 Conflict in the family business environment**

Conflict cannot be avoided when the boundaries between family and business systems overlap. The two systems operating together will always bring negative influence which increases during times of economic crisis (Dane & Rettig, 1993). The distinctive content and desired result of family business conflicts can be categorized into five areas: justice conflict, role conflict, work-family conflict, identity conflict, and succession conflict. Justice conflict reflects how to generate capital, dividend, reward and quality of life. Commonly, these problems are based on financial management. Role conflict refers to confusion and disharmony among roles, when family members work together. Sometimes, this also relates to the external environment for example, the owner brings non-family members into the business (Kets de Vries, 1993). Work-family conflict arises when the two systems, work and family overlap (Danes, 2000). Identity conflict relates to the need for family members to distinguish themselves and live up to family expectations. This encourages sibling rivalry, and gender conflicts (Kaye, 1991). Lastly, succession conflicts are relevant to ownership issues (Wortman, 1994).

Sustaining a family business is not easy when the size of the family enlarges and succeeding generations wish to inherit and take over management. As he grows up the heir, or heirs will spend more time thinking about the ownership of the business rather than working for the company's goal (Manfred, Kets, Randel, & Elizabeth, 2007). To identify the conflicts in family businesses both the nature of the conflict and the components that address the conflict must be considered.

## **2.2 The family business structure**

### **2.2.1 The three-circle model**

The conflict between family and business systems occurs according to different values, which then lead to conflict in the desired targets, because of the overlap between personal and company interests. Family businesses also typically prefer to operate based on relationship and a rigid structure. However, to achieve targets and goals the business system takes risks by searching for external environments and seeking opportunities to take advantage from change (Manfred, Kets, Randel, & Elizabeth, 2007). The three-circle model shows the family business system as made up of three components, family, business and ownership (Tagiuri & Davis, 1996). These reflect the sources of the conflicts that are likely to occur in the three subsystems described below.

#### **2.2.1.1 The family circle**

There are three main elements or resources which family members see as their priority. Firstly, the emotional resource for example, sharing value and belief from the old to the new generations. Secondly, they are also concerned with the social resource such as prominence among members, and thirdly the financial resource such as salary or dividends. However not all family members participate in the family business.

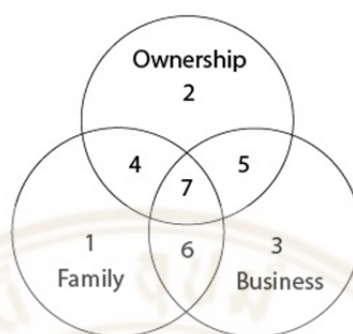
#### **2.2.1.2 The ownership circle**

The owners will focus on financial resources to create profitability and dividends. The system is operated by shareholders that rely upon the owner's expectations and realizations for wealth creation. The goals of the company owners can be compared to governance processes such as board of directors, legal framework and ownership distribution. Family members, investors and employee-owners can be included in the ownership cycle.

#### **2.2.1.3 The business circle**

This is concerned with strategy and social resources, including the image of the company in the public eye. Normally, non-family members work in the business cycle, but sometimes family members are also included. However, family members still have increased social and financial resource based on their performances

in the company. Both the business system and company profit result from the achievement of desired goals and the implementation of strategic management in the most effective way.



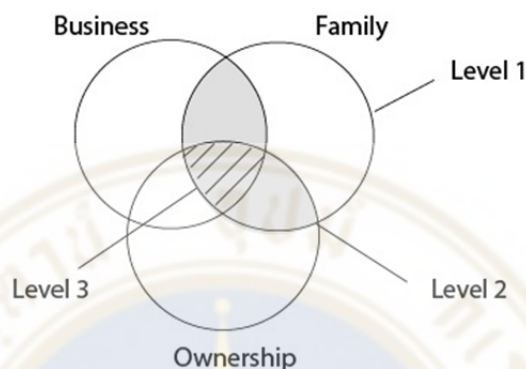
**Figure 2.1 The three-circle model of family business**

**Source: Kelin, 1997**

According to Figure 2.1 family subsystems are sections 1, 4, 6, and 7 which include family members or relatives. The ownership subsystem, sections 2, 4, 5, and 7 refers to people who own the business who can be both family and non-family members. They can be third parties, or shareholders in the firm. The business subsystems, sections 3, 5, 6, and 7 refer to people who perform or control the daily management of the company. They can be the chief executive officer, directors, managers or employees. They can be anyone who works in the business system and do not have to be family members or owners of the business. In Figure 2.1, any person who has only a single link with the company occurs in sections 1, 2, or 3; they can be family members, founders, or employees of the family business. Those in overlapping sections have joint options in the company. For example, family members who own the business are in section 4. Those who work in the business system as they gain some valued share of the company will be placed in section 6 (Srisomburananont, 2004). The business area itself is overlapped by the other two circles, thus both business and family are in conflict with each other and to identify these conflicts the problems that usually occur in family businesses must be identified (Harvey, 1998).

### 2.2.2 Level of conflict in the three-circle model

To expand the three-circle model, Harvey and Evan (1994) suggested that a level of conflict should be added to the circle to specify the degree of conflict and describe its situation (Figure 2.2).



**Figure 2.2 Multiple level of individual and collective conflict in the family business environment**

**Source: Harvey, 1998**

#### 2.2.2.1 Level 1

This conflict occurs when there is no action of conflict amongst the three-circle and conflict does not expand to other factors. For example the problem in the family does not have influence or affect family business performance, such as siblings have a quarrel over the hardships in school. This problem will have little influence on the business.

#### 2.2.2.2 Level 2

The conflict creates disagreement in two circles as they overlap, which can lead to a complex form of conflict. The causes may be different but when they combine together, they become difficult to solve. For example, one of the siblings feels uncomfortable working with the family because he or she was not chosen to be the successor. Another example of level 2 conflict would be if the children of the family did not have the respect of the employees, manager, or other family members who work in the business. Conflicts at the second level need family intervention for resolution.



### 2.2.2.3 Level 3

Level 3 conflict combines all components of the three- circle model (family, business, and ownership). For instance, conflict at the third level could result from shareholders concern about the potential of the successor, and whether he or she will be able to manage the company properly. To solve these problems family businesses may have to bring in consultants as external information sources.

## 2.3 Related factors of conflict in the family business environment

### 2.3.1 Work role

Role theory explains personal duty conflict when one role is not compatible with another and creates difficulties in meeting the needs and expectations of one or both of them (Katz & Kahn 1978). Greenhaus and Beutell (1985) described 'work-and-family conflict' as the conflict created from the role demands of work/family where some of the role perspectives are not compatible with the other. Many researchers have noted that work/ family conflicts affect work performance (Gilboa et al., 2008). Another critical reason that can create role conflict is the disagreement among family members about work responsibility, for example different points of view, opinions, and management style (Jehn, 1995).

### 2.3.2 Relationship role

Relationship conflicts result from incompatibility between family members; these include stress, tension, and annoyance (Amazon & Schweiger, 1994). This type of conflict is usually related to tensions and stress; these accelerate emotion response and negative attitude (Thomas, 1992). Relationship conflicts are also associated with socio-emotional issues, created as a result of disagreements between family members and not directly linked to work performance (Jehn, 1995). Many researchers have shown that the negative outcome associated with relationship conflicts, such as low productivity or dissatisfaction among family members is detrimental to both family businesses and work performance (Higashide & Birley, 2002). In summary, relationship conflict is an incompatible relationship between family and business performance,

likely to arise when disagreement occurs and it has a negative impact on both work and family members.

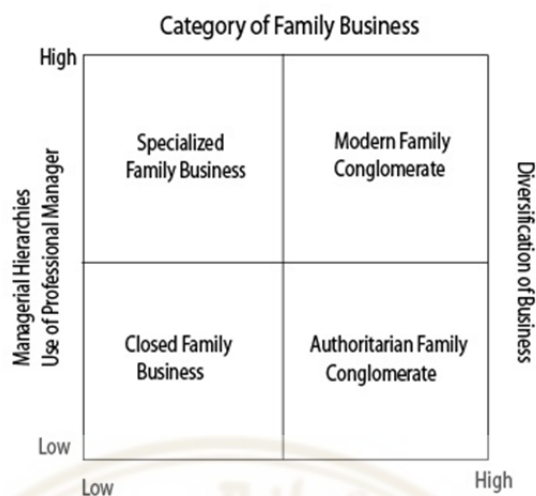
### **2.3.3 Family dynamics**

Family dynamics can be the cause of conflict (Kaye, 1991). Kirschner, S. and Kirschner, D.A. (2000) listed four typical problems that must be recognized and resolved in the process of transition of ownership issues. These problems illustrate the difficulty of the owner to let go, the ability of the next generation to maintain and manage the business, the balance between work and conflict during the transition, and how to handle the many different types of employees. Problems in family businesses also involve relationships. Owner characteristics or sibling relationships may create unconscious clashes in the business system. Sibling rivalry is a typical issue of familiar conflict (Friedman, 1991); they grow up and face a different perspective of business development. The children may not be aware of their own needs as they have always worked under parental supervision; they rely on their parents for support (Stern, 2006). The succession of the business founder may cause conflicts; although family members see the necessity of transition, the present incumbents are still unwilling to let go (Wakefield, 1995). Lastly, the founder may not want to discharge complete control of the company, after realizing that the heir wants to change the business model on a large scale (Handler, 1990).

## **2.4 Thai family business structure**

Characteristics of conflict are different in each country, thus, to understand the conflicts in the Thai family context, it is necessary to consider the Thai family company structure and the local environment.

Chandler (1977) stated that the majority of Thai family businesses maintain a tradition organization structure, whereby the owner of the business dominates the ownership and management. Thai family businesses can be separated by using three-fold criteria to explain the degree of business diversification, the development of managerial hierarchies, and the use of professional managers (Suehiro & Wailerssak, 2004) (Figure 2.3)



**Figure 2.3** Category of family business

**Source:** Suehiro & Wailerdsak, 2004

### 2.4.1 Categories of Thai family business

#### 2.4.1.1 Closed family business

The characteristics of the closed family business are that the owner controls the entire business system; most of the top managers are core family members, such as the eldest son (Suehiro, 2003). They rarely employ non-family members for the top job and will usually ask other family members to share ownership when a new department is created.

#### 2.4.1.2 Specialized family business

This type of family business is based on specific industries such as clothing, machinery, car parts, and consumer goods. The specialized family business professionalizes its management structure. They usually collaborate with professional managers and promote them into board member positions to increase their competitive edge.

#### 2.4.1.3 Authoritarian family conglomerate

The authoritarian business is broadly diversified and expanded as a conglomerate. The position of the senior managers can be reserved for the owner, family members, or relatives. The owner or chairman dominates the decision-making and strategy. This type of business has no organizational development, since the middle

managers cannot reach the top positions. The top jobs are reserved for family members. This can lead to a lack of motivation for outsiders working in the family business, whereas family members are favored and encouraged to pursue long-term training.

#### 2.4.1.4 Modern family conglomerate

In the modern family conglomerate, the founder and family members still dominate the ownership positions and control critical management strategies, but there is opportunity for professional managers in both top management positions, and on the board of directors of the company (Wailerdsak, 2002). Family members are not preferably promoted, as in other family business types. They must prove themselves first by working hard and passing long-term training requirements before consideration for promotion. This creates high competition among family members.

To summarize, conflicts can cause negative impacts on family businesses as they interfere between the work and relationship roles (Tagiuri & Davis, 1996). Conflict can spawn illogical ideas with the protagonists acting and communicating unreasonably (Hershon, 1975). There are other elements which drive and stimulate conflict in family businesses, such as family dynamics and other types of organizational structures. Siblings will compete against each other to gain creditability in the eyes of their father. They will also then struggle to maintain their relationship as family members. Disagreement is inevitable and will typically divert focus from the company's objective to individual desire, as work and relationship roles will always overlap. In Thai family businesses the parents or owners usually control all the management decision-making, while at the same time training and coaching their children as their successors. This can create unforeseen disagreement between the siblings and lead to involuntarily business disputes. Therefore, to realize and understand the causes of conflict in Thai family businesses these potential factors must first be identified.

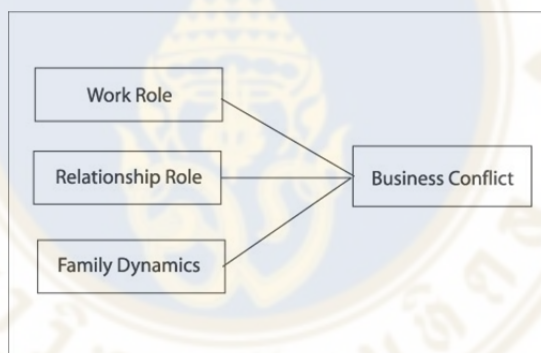
## CHAPTER III

### RESEARCH METHODOLOGY

#### 3.1 Research design

To find the causes of conflict, the research design by Wakefield (1995) was adapted to illustrate the relevant relationships between business conflict and the independent variables; family dynamics, work, and relationship role as potential factors for conflict in family businesses (Figure 3.1).

The three-circle model was used for data analysis and the types of Thai family business structure were used for describing sources and characteristics of conflict.



**Figure 3.1** Related factors of conflict in family business

**Source:** Wakefield, 1995

Work role included the disagreement between family members regarding work responsibility such as different points of view, and ideas and management style, including how they affect the family business and produce conflict in the work place. Relationship role included the stress and tension events or experiences when working with family members, negative outcomes associated with relationship conflict, and how these problems were handled.

Family dynamics included the number of siblings, succession of the founder and the three type problems; difficulty of the owner to let go, the ability of the next generation to maintain and manage the business, and the balance between work and conflict during the transition period.

### **3.2 Sampling**

Ten interviewees were chosen from different types of family business. These included five successors and five owners who worked together. As both family members and co-workers, they could accurately reflect the perspective of conflict and provide information that could accurately identify the areas of conflict.

### **3.3 Data collection**

Data was collected by the qualitative method, using open-ended interview questions. A criterion was that the family businesses must have operated for at least one year, and the owners or supervisors worked in the daily operation with day-to-day management, including working together and cooperating with the successors.

### **3.4 Research questions**

There were six questions that related to work role, relationship role, and family dynamics, to help understand the conflicts in great detail and points of view regarding situations including conflict resolution. Some of the questions are listed below.

#### **3.4.1 Leading questions**

What is your position and responsibility in the family business?

Have you ever had a major disagreement with any family members?

#### **3.4.2 Work role**

What are the main differences between you and your parents' work style?

What would you do when you have a work disagreement between family members?

### **3.4.3 Relationship role**

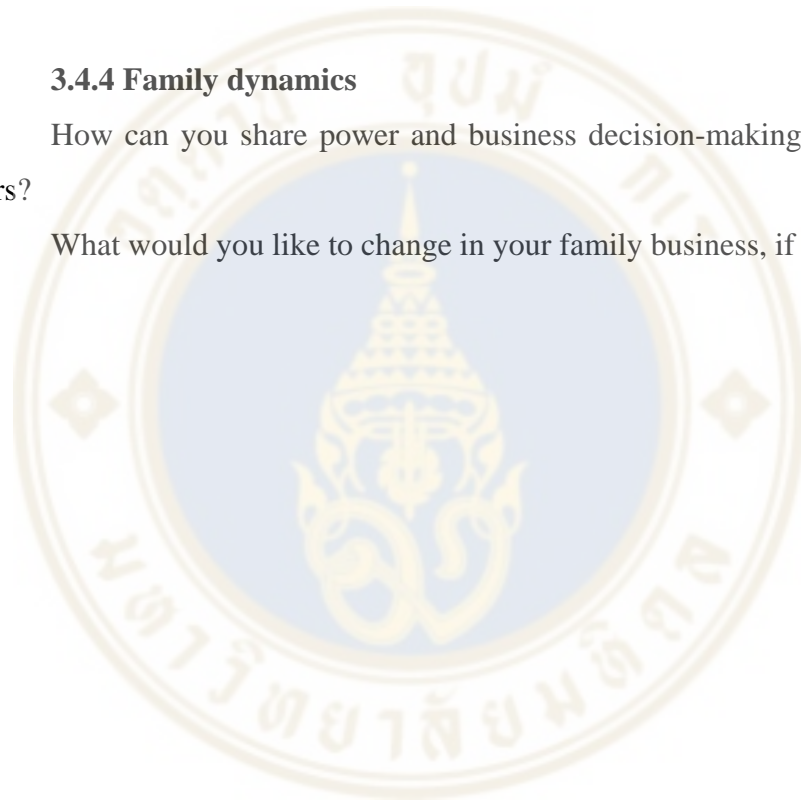
What makes you feel stressed/concerned the most when working with family members?

Are there any characteristics of family members that you would like them to change?

### **3.4.4 Family dynamics**

How can you share power and business decision-making between family members?

What would you like to change in your family business, if possible?



## **CHAPTER IV**

### **RESEARCH FINDINGS**

Data was collected from five owners and five successors, who worked in a family business; each interviewee took between fifteen and thirty minutes to answer the questions. There were similar conflicts that were likely to occur in Thai family businesses based on the questions in the framework and methodology design. Responses also revealed how each owner and successor handled the conflicts in the family business, including the consequences after the problems occurred. This crucial information assisted in assessing the areas of conflict accurately. The conflict assessments are split into four categories, the different perspectives in working styles, confusion between relationship and business role, the influence of the family dynamic, and the discussion.

#### **4.1 Work Role: Different perspective in working styles**

##### **4.1.1 Relationship versus technology**

One topic that all five owners were concerned about was implementing new systems and technology into their businesses as recommended by their successors. Most did not believe that introducing new technology into the family business, like stock management, would help to solve problems. When compared to the costs and profitability of the business, they did not regard inventory management as a serious issue. If they wanted to see one of their products in the warehouse, then they could ask an employee to bring it, or search for the item themselves. On the contrary, if the company did not reach sales targets or costs were too high, then these were problems that more greatly impacted on family business survival, rather than focusing solely on one department. Hence, the owners wondered why technology was so important from their successors' point of view. The company had operated without these advanced high tech systems for many years and still managed to satisfy customer high demand, so



why bother to change anything. From the owner's perspective, the primary concerns were about how to maintain close relationships with old and valued customers and employees, and pass these relationships on to the next generation. During the interviews, the owners often raised this topic every time the question was asked. For example, the owner of a utensil manufacturing business mentioned that she wanted her daughter to maintain relationships exactly as they were. Similarly, the owner of a textile manufacturer also expected her son to maintain contacts with old customers while gaining experience. Their responses implied that they considered that the survival of the family business depended on maintaining a strong relationship between the company and the customer. Thus, the transition of those values to the next generation was a crucial factor for the survival of the family business and it was the owners' responsibility to pass this information down to their children.

#### **4.1.2 Leadership styles of owner**

Each successor is different in terms of their work ability and the conflict in a family business can be generated by leadership style. If the owner or parents emphasized on following rules or procedures precisely, then it was more difficult for the successors to express their opinions and explain new ideas to their parents. On the contrary, if the owner or parents always included the successor in the consulting and decision-making process, then the successors were able to engage more readily in the family business goals and have the chance to create high productivity. For instance, the successor of a resort business was given responsibilities in proposing final project assumptions to the owners before proceeding. Though there were several disagreements they still allowed the successor to manage the work as he saw fit, including the financial authority to invest in the project. As a result, not only did the successor prioritize and gain more profit for the business, but he also developed active behavior working in the daily operation. This brought harmony to both the family and business operations.

#### **4.1.3 Assessing conflict: different perspectives in working styles**

Two sources of conflict are likely to occur when owners and successors have different perspectives in the work role. These are incompatibility in value and belief, and leadership styles.

#### 4.1.3.1 Incompatibility in value & belief

Conflict will arise when owners try to transmit value and belief of the family business to the next generation, which includes business relationships, experiences, and commitment to the family business (Tagiuri & Davis, 1982). Owners always see family needs as the first priority. For them, values and belief are the sources of success that bring power to a family business, helping them strengthen financial resources and reflecting on their achievement.

*“I consider customer relationships as a main factor in the survival of a family business,”* owner of a utensil manufacturer.

*“I want my son to understand more about the family business and keep in contact with the customers,”* owner of a textile manufacturer.

These responsibilities need to be passed down to the next generation. On the other hand, the successors strongly believe that technology and internet online systems are key factors for surviving in modern business; they value change and convenience, rather than focusing on relationships. For instance,

*“We need warehouse and stock systems to manage stock more accurately,”* successor of a utensil manufacturer.

*“I want to standardize our company,”* successor of a textile manufacturer.

Obviously, the successors have to obey the owners, as they are the children and subordinate. They cannot behave truly as successors until they can bring about change based on their values and belief in the family business. The personal duty conflict makes it difficult for successors to realize the needs and expectations of the owners, as stated by Katz and Kahn (1978). This leads to different viewpoints and management style (Jehn, 1995).

#### 4.1.3.2 Leadership styles

Another noticeable issue from the questionnaire was the difference in the leadership style of the owners. Although conflict is perhaps inevitable when working with family members, some family business owners found ways to manage disagreement with successors which worked to their benefit. For instance, one of the owners always let the successors participate in crucial decision-making processes and assign work that involved finance and investment. This involvement instilled a positive

attitude in the children regarding values and belief; it gave them responsibility and decision-making experience, as reflected in this response,

*“I emphasized the opportunity to seek for new customers to gain more profits,”* successor of a resort business.

Even though the successor considered implementing new technology, he still had to consult with his father first, since these decisions were usually made together. He was also hesitant about relying on technology alone, since many things should be considered before changing the system. However, if the owners never created a participation environment with their successors and always made decisions alone, then this developed conflicts in the business system, since the agreement of the successor was not essential for the outcome. Hence, successors felt reluctant to share new ideas; this created a tendency for lack of motivation in reaching business targets. For instance,

*“I want my son to do as I said first, and then ask later. It helps to reduce the explanation time,”* owner of a textile manufacturer.

*“I feel reluctant expressing my opinions and talking about major changes in the business,”* successor of a utensil manufacturer.

One successor admitted that every time she mentioned implementing a new system, the owner ignored her ideas and did not support the venture. Thus, she toes the line until the situation improves. Similarly, the successor of a textile manufacturer is always reluctant to follow his mother’s commands, because he cannot see any long-term benefits for the company.

## **4.2 Relationship Role: Confusion between relationship and business role**

In relationship roles, conflicts will arise when owners and successors start confusing their role play between work and family, through poor communications such as tone of voice, sarcasm, doubt, and patterns of conversation. These can lead to greater problems in the transitional process of the family business due to characteristics deeply rooted in family members. For instance, when a successor asked his mother about the reasons behind her decision-making as a subordinate (a business role), she typically

replied by telling him to do as she said without giving any explanations (a family role). This mimics the role of a mother toward a disobedient child, rather than to a subordinate or coworker. The successor admitted that business discussions with his mother were a most difficult task because she was always very impulsive emotional with a hot temper when business disputes occurred.

Similarly one business owner faced the same problem with her daughter. She regarded her successor's actions as a type of rebellion rather than business disagreements (a family role). For example, her daughter always started work at around 3 p.m. and then stayed till late. She had a high work performance; however this was not a good example for the employees (business role). The successor also thought independently with many ideas that differed from her mother. It was easy to stimulate controversial issues when the owner intervened or commented about her working styles. The daughter indicated that she sometimes considered leaving the family business. However, she realized that her mother was getting older, and wanted her to inherit the company as soon as possible (family role and business role). She still believed her mother capable of running the business, so she decided to take a back seat until the time was right.

#### **4.2.1 Assessing conflicts: confusion between relationships and business roles**

There are two sources of conflicts that occur when family members confuse their roles between family and business. These are miscommunication and lack of commitment to the business. These problems create negative outcomes and attitudes within a family business.

##### **4.2.1.1 Miscommunication**

Miscommunication is a common problem that occurs in any workplace, however, in a family business miscommunication causes confusion between the family role and the business role. This leads to complicated forms of conflict, including the diversion from business goals and a focus on personal issues. According to Harvey and Evan (1994), conflicts will arise when family and business roles overlap and link to the dissatisfaction of family members (Higashide & Birley, 2002). The following statements demonstrate this,

*“I’m always angry when my son cannot follow my ideas, he should do as I said first, this reduces explanation time,”* owner of a textile manufacturing business.

*“My parents are always overcome with emotions and hot tempers when we have disagreement; they feel irritated when I ask about the reasons behind their decision-making,”* successor of a textile manufacturing business.

*“When I talk to her about an investment, I feel like a child asking for a new toy. I don’t like this at all, I never know what she thinks about my plan,”* successor of a restaurant business.

This problem usually arises when owners cannot share business goals and strategies with their successors, partly because of lack of experience and understanding. They use stress and tension as both a family and business role, to stimulate the desired outcome from the discussions. As a result, the emotional response and negative attitude when they work together is accelerated (Thomas, 1992).

#### 4.2.1.2 Lack of commitment to the business

Lack of commitment to a family business can be based on personal feelings toward the pursuit of business goals. Successors may not accept the obligation to maintain good relationships with the owners; however they still join the family business due to parental need. This may create some conflicts but it is not directly linked to work performance (Jehn, 1995). It can however cause other problems when successors and owners work together, such as arguments or dissatisfaction. The following statements illustrate this,

*“There’s still no significant sign of success in her life and she is now almost 30 years old, so I want her to achieve something,”* owner of a wholesale business.

*“Sometimes I thought about leaving the family business, but I also realize that my mother is getting older every day and she wants me to inherit the company as soon as possible,”* successor of a wholesale business.

*“The first time that I realized I had to resign my job and inherit the family business instead, I felt very stressful and concerned that I would not be up to the task,”* successor of a resort business.

This type of conflict can be stressful for both parties; they carry the stress home from the workplace. This is one reason why both successors and owners decide to remain silent and ignore these conflicts; they prefer to prevent clashes within the family business.

### **4.3 Family Dynamic: Influence of family dynamics**

One of the potential factors creating conflict in a family business is family dynamics. Family dynamics is the relationship between family members, including the whole family group which influences how the members work together, such as sibling rivalry, financial status, and the authority within the family business. For instance, when a brother has a business disagreement with his older sister, he will ask his father to be the judge and convince her to do as he desired. Generally, the role of successors in the family business is assigned by parents or owners. They expect their successors to work hard and do as they say without questions. This ensures that the children can maintain both business and family goals based on the parents' methods. The owners realize the necessity of transition, but they are still unwilling to let go of the power of decision-making and finance resource since they feel uncertain about their children's abilities. This makes successors reluctant to try to make large scale changes. However, if the family business can create an environment that encourages participation, such as assigning specific tasks for family members, or sharing the power of decision-making, then these can help to motivate active involvement and create a positive attitude between parents and siblings. For example, one of the owners allowed her son to handle all operations of the family business while she worked solely in the financial management section. The owner explained that her son had experience in related fields before, so she could rely on him. Likewise, the son perceived that his mother trusted in his judgment and accepted the challenge of this opportunity. He worked hard every day to strengthen the family business as both successor and son.

### 4.3.1 Assessing conflicts: influence of family dynamics

There are two types of conflicts that usually occur when a family business is influenced by family dynamics. These are control of financial resources and unclearly defined responsibilities.

#### 4.3.1.1 Control of financial resources

The financial resource is the heart driving the family business operation; this determines the status of the family members. It is a tool that controls every part of the business and determines the power of the family members. Successors have a high position in the family business, but the parents still cannot rely on their judgment and are unwilling to give them real financial authority. In a closed family business type, the owner controls all the crucial systems and puts the children in high positions; however they have no power to make decisions on their own (Suehiro, 2003). The following statements are pertinent,

*“Currently, I still control all major strategies of management and important decision-making, such as investment or purchasing new machines,”* owner of a textile manufacturer.

*“I’m involved in researching information about new technology and I give my best recommendations for purchasing new machinery,”* successor of a textile manufacturer.

When the real ownership and authority are not transferred by the owners, the successors will always be criticized for their performance and ideas, until the parents step down.

#### 4.3.1.1 Unclearly defined responsibility and authority

This problem usually occurs when family members have no specific task or responsibilities based on the business requirement. It creates conflicts when successors have to work under parental control, or siblings have different perspectives of business development (Stern, 2006) which requires parental acceptance. For example,

*“When we have business disagreements, my brother asks our father to convince me to follow his ideas, so I think next time he shouldn’t ask for my opinions if he will do it anyway.”* one of the successors of a resort business.

In this case, the brother undermined his sister's authority by asking their father to create the desired outcome. This type of disagreement can cause conflict in a family business, because the sister will always be aware that her father's opinions are not his own. As a result, she may feel reluctant to discuss problems, and just cooperate with them.

The lack of clarity in responsibility and authority also leads to poor communication and impacts on the growth of the company. When a family business has a traditional organization structure in which the owners control the crucial management strategy of the business (Chandler, 1977), then the freedom and power of the successors to act on their own will be hampered. For instance,

*“Currently, I don't have any specific position in the company. I help my parents in purchasing raw materials, checking stock, and run accounting information. If I want to do something on my own, I still need their permission,”* successor of a utensil manufacturer.

This problem arises because parents are uncertain about their successors' plans to make large scale changes, so they do not assign tasks based on business requirements. When owners do not talk about their future intentions for the family business, successors lose confidence and stop developing new ideas for the company.

## **4.4 Discussion**

To sum up, problems in Thai family businesses can be caused by six characteristics of conflict. Disagreements usually occur when owners and successors have a different approach and ideas toward running the family business. These problems also affect family relationships and may develop into disputes if they are ignored and appropriate solutions are not determined. The six causes of conflict in the family business are discussed below.

### **4.4.1 Common values and belief**

The family business is based on a strong belief, acknowledgement and an acceptance in something, combined with a strategy and confidence to achieve these



goals. The questionnaire responses show that owners value 'relationship' and successors value 'technology' to pursue their goals.

#### **4.4.2 Command**

The owner's leadership style impacts on the attitude of the successor working in the family business. If the owner tends to make decisions alone without asking for their successor's opinion and always tells him/her what to do, this can block new ideas and motivation in achieving business goals.

#### **4.4.3 Communication**

Poor communication between owner and successor can result from tone of voice, sarcasm, doubt, and patterns of conversation. When family and business roles overlap this accelerates emotional response, maybe by using negative words to reach the desired results.

#### **4.4.4 Commitment**

Conflict can arise if the successor lacks interest to inherit the family business as the owner expected. This type of problem creates stress and tension between both parties and affects work performance and cooperation as a team with the inevitable arguments.

#### **4.4.5 Financial control**

Owners must trust in the ability of the successors to control finance and investment without bankrupting the company. Conflict arises when owners put successors in high positions but without responsibility for the financial management of the family business.

#### **4.4.6 Role clarity**

Decision-making authority must be clearly defined. Conflicts will arise when successors have to wait for parental agreement, because they have no real power to make their own decisions. They will lack confidence and face difficulties working in the family business in the future.

All families businesses face conflicts between work and relationships since they work closely together in daily operations. Most family members, especially owners and successors try to avoid or even suppress these problems; they are afraid that being honest may lead to clashes between family members. As a result, both parties choose to remain silent to maintain harmony. However, conflicts are still necessary for individual growth, development of new ideas, and strengthening relationships among family members.

**Table 4.1 Summary of conflict in family business**

	<b>Work Role</b>	<b>Relationship Role</b>	<b>Family Dynamic</b>
Business Conflicts	<p>Different perspectives in working style</p> <p><b><u>Relationship VS Technology:</u></b> Owners considered that family business depended on a strong relationship, while successors strongly believe in technology</p> <p><b><u>Leadership style of owner:</u></b> Owner emphasized on rules and procedures <b>or</b> included the successor in the decision-making process</p>	<p>Confusion between relationship and business role</p> <p>Owners and successors confuse their role play between work and family</p> <p><b>Example,</b> Mimic the role of a mother toward a disobedient child, rather than to a subordinate</p> <p>Successor acts as a rebellion daughter/son when conflicts occur</p>	<p>Influence of family dynamic</p> <p>Relationship between family members, including the whole family group that influences how the members work together</p> <p><b>Example,</b> sibling rivalry, financial status, and the authority within the family business</p>
Assessing Conflict	<p>Incompatible in value and belief</p> <p>Leadership style</p>	<p>Miscommunication</p> <p>Lack of commitment to business</p>	<p>Control of financial resource</p> <p>Unclear defined responsibility and authority</p>

**Table 4.1 Summary of conflict in family business (cont.)**

	<b>Work Role</b>	<b>Relationship Role</b>	<b>Family Dynamic</b>
Causes of conflict in Thai family owned business	<p><b>1. Common values and belief</b> A strong belief in something, combined with a strategy to achieve these goals</p> <p><b>2. Command</b> The owner's leadership style impacts on the attitude of the successor working in the family business</p>	<p><b>3. Communication</b> Poor communication between owner and successor can result from tone of voice, sarcasm, or by using negative words to reach desired outcome</p> <p><b>4. Commitment</b> Successor lacks interest to inherit the family business as the owner expected</p>	<p><b>5. Financial control</b> Owners put successors in high positions but no power to control financial management</p> <p><b>6. Role clarity</b> Successors have to wait for parental agreement, because they have no real power to make decisions</p>

## **CHAPTER V**

### **CONCLUSIONS**

#### **5.1 Conclusions**

Many problems occur within Thai family owned businesses; typically conflicts arise due to the family and business roles overlapping. When owners and successors can find no way of compromise, then they use silence as a tool to suppress all the problems, or act like nothing happened. Successors are taught not to argue with adults. They are prevented from searching for their own way of thinking and acting independently. Owners find it hard to accept change and new technology; they strongly believe that people are more reliable than systems, as their management styles have worked successfully for many years. Thus owners and successors have different working styles. The parents will always be concerned about losing touch with their old customers, while the children who have grown up in the modern era want to implement new technology. Old values and beliefs are deeply rooted and hard to change, there is difficulty for both sides to reach agreement (Katz & Kahn, 1978). Old authoritarian leadership style is also the cause of many business disagreements. The decision-making skills of the elderly owners may be limited. These inherent different points of view impact on the successors' attitude and their motivation toward achieving business goals and future company success.

Conflicts will also arise if family members cannot identify which role they should play between family and business when the two systems overlap (Higashide & Birley, 2002). To reach the desired goals, family members use communication through tone of voice and several patterns of conversation to stimulate discussion. Occasionally, communication is impulsive and clouded by emotions and illogical ideas (Hershon, 1975), which accelerates negative attitudes toward working in the family business environment. Another problem arising between the relationship and business role is lack of commitment to inherit the family business. Maybe successors lack the desire to pursue the business goals of the owners. However, they still want to remain on good terms with their parents

and work within the company. Although, this may not influence work performance, conflicts can still arise and bring dissatisfaction to the workplace, such as arguments or lack of motivation with working as a team.

Another factor that can cause conflict in family businesses is the family dynamic. This is the influence of relationships between family members. This can cause problems when there are power struggles between family members in the business system. For instance, owners may exclude successors from meetings and want them to work without questions. Usually parents will control the financial resources and dominate the strategic planning of the business; successors cannot attain real power and they are unable to determine their own needs (Suehiro, 2003). This conflict also leads to a lack of role clarity in the family business, where children work under parental shadows (Stern, 2006), the freedom to think and act is limited and owner acceptance is always required before proceeding. The parents are still uncertain of their children's abilities to manage the family business; they do not discuss future company direction.

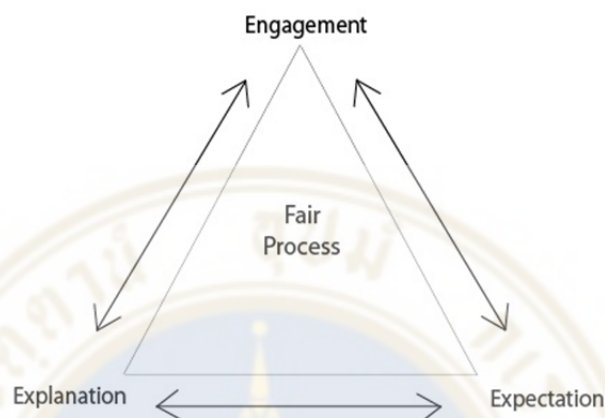
The characteristics of conflict likely to occur in family businesses during transition can be categorized into six types. Common values and belief, command, communication, commitment, financial resource, and role clarity. These conflicts not only impact on the business system, but can also destroy relationships among family members. Therefore, conflict management is an essential instrument compromising needs and goals between owners and successors when business disagreements occur.

## **5.2 Recommendations**

Identifying conflicts in the family business can help to prevent damage that could occur in the future. The problems must be resolved to compromise family and business needs. This requires participation and engagement from both owners and successors to ensure that conflicts do not create a negative influence on the business system. Four methods are recommended to help manage, and minimize conflicts in family business.

### 5.2.1 Create fairness in family business

The key solution is to create fairness among family members; the idea of fairness is building the three elements engagement, explanation and expectation (Carlock & Ward, 2001) (Figure 5.1).



**Figure 5.1** The element of fair process

**Source:** Carlock & Ward, 2001

#### **Engagement**

This is a principle activity for developing family relationships by creating a participation environment for family members to discuss business issues, decision-making, and strategy that impact upon them. Meetings and discussions are important instruments to engage family members to exchange their ideas, based on both relationship and business issues. This helps to improve supportive and individual ownership for the final results.

#### **Explanation**

Typically, family business management and decision-making are dominated by the owners or those in senior positions. They rarely share ideas or explain reasons behind their decision-making to other family members. To minimize conflicts it is essential to identify objectives and understand what is crucial for the family business. The parents should explain to their children why their goals are not suitable for the business. The children can then adjust and compromise ideas with their parents.

### **Expectation**

The core of this concept is clarified in expectation, whether in relationship or business issues. Family members must admit that conflicts occur in the company and discuss their expectations with each other, rather than writing or complaining to outsiders about the problems. This method can help to resolve conflicts over expectations, decision-making, and strategic management for both parties.

The model recommends that owners who authorize their children to inherit the family business should name them as successor. Moreover if the owners want to encourage their children in the business, they should also listen and consider their ideas thoroughly. They should explain their decisions and expectations clearly to the successors. It is difficult to change a family leader; however this is a necessary procedure for contributing family value and belief, and passing down knowledge to strengthen the family business.

#### **5.2.2 Provide essential training for successor**

Training a successor before transition is essential so that they will understand the business thoroughly. Appropriate training can be arranged by assigning work based on business needs such as management, accounting, or even driving to deliver products to customers. All are crucial aspects of creating actual experience in the family business. Once the successors have become familiar with the necessary tasks to operate the company, they will have opportunities participating with employees, customers, and suppliers to gain their trust and create relationships with them.

#### **5.2.3 Open and clear communication**

Communication between family members should be created from respect and trust, rather than impulse by emotions when having business disagreements. Be aware of the tone of voice, remove sarcasm, comparisons, and sensitive issues from the speech. Try to understand the opposite points of view rather than ignore them without giving rational explanations.

#### **5.2.4 Slow transition process**

Once the successor is fully operational in the family business, the owner should slowly step back and monitor developments (Bernard, 2012). The owner can maybe take a consultancy role, giving the successor the opportunity to make their own decisions. The transfer of power will take more time, but in the end control will be passed down to the next generation. The owner may start reducing work days to fifteen days per month, until the time comes for letting go (Bernard, 2012).

Transferring a family business to the next generation is a difficult management topic that every business owner faces. The successor must be selected wisely, trained and prepared to continue the business, resolving conflicts during the hand over period. Successors must listen and work hard under their parents' control to gain creditability before they take over the business. Thus, it is necessary to have a transition plan and resolve any management conflicts before the changeover takes place.

### **5.3 Limitations of the research**

This research emphasizes only the typical conflicts that occur between owners and successors, without seeking further opinions from other family members. In this respect, the views presented here may be biased, and not reveal bigger problems. Therefore, the responses should be interpreted and analyzed carefully. Furthermore, the conflict resolutions recommended here are random models of suggestions which need to be considered as characteristic of conflicts and degree of conflicts based on individual judgments.

### **5.4 Suggestions for further research**

There are others factors and variables related to family relationships and businesses that need to be discussed further in future research, since conflicts in a family business cannot be separated from each other. There are gender differences, culture, the relationship between father and daughter, or mother and son. These factors can easily provoke conflict. In addition, a larger survey sample would increase the opportunity of finding significant difference between conflicts in each family business. Consulting



with experts in this field or experienced business owners could also assist family businesses to compromise conflicts more appropriately and even promote disagreements to become advantageous to the prosperity of the business.



## REFERENCES

- Amazon, A.D. & Schweigner, D.M. (1994), Resolving the paradox of conflict: strategic decision-making and organizational performance, *International Journal of Conflict Management*, 5(3), 239-253.
- Amin, N. (2014, April 15). *Next generation survey 2014 - Pwc*. Retrieved from <http://www.tharawat-magazine.com/en/family-business-blog/community/1999-next-generation-survey-2014-pwc>
- Beckhard, R. & Dyer, W. (1981). *Challenges and issues in managing family firms*. Informally published manuscript, Alfred P. Sloan School of Management, Massachusetts Institute of Technology, Available from MIT Libraries. (000135675). Retrieved from <http://dspace.mit.edu/bitstream/handle/1721.1/46958/challengesissues00beck.pdf?sequence=1>
- Beckhard, (1983). Managing continuity in the family-owned business, *Organization Dynamic*, 5-12.
- Bernard, C. (2012, August 7). *Identifying successors in business*. Retrieved from <http://www.kpmgfamilybusiness.com/identifying-successors-in-business/>
- Boles, J. (1996). Influences of work-family conflict on job satisfaction, life satisfaction and quitting intentions among business owners: The case of family-operated business, *Family Business Review*, 9 (1), 61-74.
- Carlock, R. S. & Ward, J. L. (2001). *Strategic planning for the family business: parallel planning to unify the family and business*. (1 ed., pp. 78-80). PALGRAVE. Retrieved from [http://www.untag-smd.ac.id/files/Perpustakaan\\_Digital\\_1/BUSINESS StrategicPlanning for the Family Business.pdf](http://www.untag-smd.ac.id/files/Perpustakaan_Digital_1/BUSINESS StrategicPlanning for the Family Business.pdf).
- Chaimahawong, V. & Atthapong, S. (2013). Family business succession and post succession performance: Evidence from Thai SMEs. *International Journal of Business and Management*, 8(2), doi: 10.5539/ijbm.v8n2p19
- Chandler, A. Jr. (1997). *The visible hand: The managerial revolution in American business*, Cambridge, Mass: Harvard University Press.

- Chua, T.T. (1991). Approaches to succession in East Asian business organizations. *Family Business Review*, 4 (4), 161-189.
- Danes, S. M. & Retting, K. D. (1993). Farm wives' business and household decision involvement in times of economic stress, *Home Economics Research Journal*, 21(3), 307-333.
- Danes, S. M., Leichtentritt, R. D., Metz, M. E., & Huddleston-Casas, C. (2000). Effects of conflict styles and conflict severity on quality of life of men and women in family businesses. *Journal of Family and Economic Issues*, 21(3), 259-286. Retrieved from <http://search.proquest.com/docview/197977778?accountid=46528>
- Davis, P. (1983). Realizing the potential of the family business, *Organization Dynamics*, 12 (1), 47-56.
- Dunemann, M. & Barrett, R. (2004). Marketing private banking service to family business, *International Journal of Bank Marketing*, 12 (3), 26-35.
- Friedman, S.D. (1991). Sibling relationships and intergenerational succession in family firms, *Family Business Review*, 4, 3-20.
- Gilboa, S., A Shirom, Y. Fried, & C. Cooper. (2008). A Meta-Analysis of Work Demand Stressors and Job Performance: Examining Main and Moderating Effects. *Personal Psychology*, 61, 227-271.
- Greenhaus, J. H. & Beutell, N. J. (1985). Sources of conflict between work and family roles. *Academy of management review*, 10(1), 76-88.
- Handler, W.C. (1990). Succession in family firm: A mutual role adjustment between entrepreneur and next-generation family members, *Entrepreneurship Theory & Practice*, 15, 15-37.
- Harvey, M., & Evan, R. (1994). Family business and multiple levels of conflict, *Family Business Review*, 7(4), 331-348.
- Harvey, M., Cosier, R. A., & Novicevic, M. M. (1998). Conflict in family business: make it work to your advantage. *Journal of Business and Entrepreneurship*, 10(2), 61-102. Retrieved from <http://search.proquest.com/docview/214229886?accountid=46528>
- Hershon, A. "The Problem of Management Succession in Family Business", Unpublished document dissertation, Harvard University, 1975.

- Higashide, H. & Birley, S. (2002), The consequences of conflict between the venture capitalist and the entrepreneurial team in the United Kingdom from the perspective of the venture capitalist, *Journal of Business Venturing*, 17(1), 59-81.
- Jehn, K.A. (1995), A multiple-method examination of the benefits and detriments of intergroup conflict, *Administrative Science Quarterly*, 42(3), 256-282.
- Katz, D. & Kahn, R. L. (1978). *The social psychology of organization*. 2<sup>nd</sup>. New York: Wiley, Kim, J. L. S., and C. S. Ling. 2001. Work-Family Conflict of Women Entrepreneurs in Singapore. *Women in Management Review*, 16, 204-221.
- Kaye, K. (1991). Penetrating cycle of sustained conflict, *Family Business Review*, 4, 21-44.
- Kelin, E.G., Davis, A.J., Hampton, M.M., & Lansberg, I. (1997). *Generation to Generation: Life Cycle of the Family Business*, Harvard Business School Press, pp.6
- Kets de Vries, M. F. R. (1993). The dynamics of family-controlled firms: The good and the bad news. *Organizational Dynamics*, 21 (3), 59-71.
- Kirschner, S. & Kirschner, D.A. (2000). *Succession planning in the family-owned firm: Psychological concerns*. In Kaslow, F.W. (Ed), *Handbook of couple and family forensics: A Sourcebook for mental health and legal professionals* (pp. 335-349). New York, NY, US: John Wiley and Sons, Inc.
- Lee, J. (2006). Impact of family business relationships on attitudes of the second generation in family business. *Family Business Review*, 19(3), 175.
- Manfred, R., Kets, D. V., Randel, S. C., & Elizabeth, F. (2007). *Family business on the couch: a psychological perspective*. (pp. 29-30). London: John Wiley & Sons, Ltd. Retrieved from [https://traininglab.files.wordpress.com/2011/09/family\\_business\\_on\\_the\\_couch\\_\\_a\\_psychological\\_perspective.pdf](https://traininglab.files.wordpress.com/2011/09/family_business_on_the_couch__a_psychological_perspective.pdf)
- Miller, D. & Friesen, P. (1984). *Organizations: A quantum view*. Englewood Cliffs, NJ: Prentice-Hall.
- Pelled, L. H. (1996). Demographic Diversity, Conflict, and Work Group Outcome: An Intervening Process Theory, *Organization Science*, 7, 615-631.

- Smyrnios, K. X., Romano, C. A., Tanewski, G. A., Karofsky, P. I., & al, e. (2003). Work-family conflict: A study of American and Australian family businesses. *Family Business Review*, 16(1), 35. Retrieved from <http://search.proquest.com/docview/211018857?accountid=46528>
- Srisomburananont, T. (2004). *Key success factor in transforming traditional family business for success and long-term survival in changing market*. (Master's thesis), Available from MIT Libraries. Retrieved from <http://hdl.handle.net/1721.1/17880>
- Stern, R. F. (2006). *An exploratory study of inter-role conflict in the family business* (Order No. 3265881). Available from ProQuest Dissertations & Theses Global. (304923695). Retrieved from <http://search.proquest.com/docview/304923695?accountid=46528>
- Suehiro, A. & Wailerdsak, N. (2004) "Family Business in Thailand: Its Management, Governance, and Future Challenge", *ASEAN Economic Bulletin*, 21, 81-93.
- Suehiro, A. (2003). Famirii Bijinesu Sairon: Tai niokeru Kigyo no Shoryu to Jigyo no Keishou [Reassesses the Family Business: Firm Ownership and Succession of Business in Thailand]. *Aija Keizai*, 44 (5-6), 27-101.
- Tagiuri, R. & Davis, J. (1996). Bivalent attributes of family firm. *Family Business Review*, 9(2), 199-208.
- Thomas, K.W. (1992), Conflict and negotiation processes in organizations, in Dunnete, M. and Hough, L. (Eds), *Handbook of Industrial and Organizational Psychology*, Consulting Psychologists Press, Palo Alto, CA, pp.651-718.
- Thornton, G. (2002), Defining the family business. *PRIMA global research report*. Grant Thornton. Retrieved from <http://www.gti.org>.
- Wailerdsak, N. (2002). *Career Formation of Managers in Thailand: A Japanese Benchmark Perspective*?. Doctoral dissertation, School of Economics, University of Tokyo.
- Wakefield, M. W. (1995). *Antecedents of conflict in family firms: An empirical study* (Order No. 9604443). Available from ProQuest Dissertations & Theses Global. (304207894). Retrieved from <http://search.proquest.com/docview/304207894?accountid=46528>

- Wall, Victor D. & Linda I., Noland (1986). Perception of Inequity, Satisfaction, and Conflict in Task-Oriented Groups, *Human Relationships*, 39, 1033-1052.
- Ward, J. (1987). *Keep the family business healthy*. San Francisco, CA: Jossey-Bass Publishers.
- Whiteside, M.F. & Brown, F.H. (1991). Drawbacks of a dual systems approach to family firms: Can we expand our thinking? *Family Business Review*, 4, 385-395.
- Wortman, S. M. & Jr. (1994). Theoretical foundations for family business owned business: A conceptual and research based paradigm, *Family Business Review*, 7(1), 3-2.
- Wright, L. (2001), *Thai entrepreneurs say good management spells success*. Focus on York University Research. Retrieved from <http://www.yorku.ca/ycom/focus/past/IR2001/story4.html>.

