

Foreword

What do you think when you hear the term “family business” or “family firm”? Do you already have a picture in mind? Most people do. They make generic associations with firms that they perceive as family firms. In addition, many family firms explicitly use such references to their family background in their marketing and communication efforts – probably in order to elicit specific associations made with the term “family firm” and to influence stakeholders’ behavior. But does it work? In recent years, researchers have started to investigate whether the organizational form of “family firms” has become a positively loaded category itself and whether the communication of family involvement influences the behavior of stakeholders such as customers or job seekers. For those two groups, research has shown that the communication of family involvement does indeed influence the behavior of customers and job seekers.

Another interesting and important group of stakeholders are lenders since financing represents one of the main challenges for family firms. Sufficient capital is the basic requirement necessary to operate the business, to fund innovation, to drive growth and to successfully hand over the business to next generations. Difficulties in raising enough funds might jeopardize the company’s ability to survive. Hence the question: Does the communication of family involvement positively influence the company’s ability to raise financing? This is the key issue examined by Thomas Pijanowski, who uncovers new facets on how changes in the communication of family involvement impact the lending behavior of bank loan officers within the lending process. Building upon sound theoretical approaches (Socioemotional Wealth, Agency Theory, and Resource-Based View) Thomas Pijanowski formulates a strong theoretical model on the impact of family firm involvement on bank loan officers’ behavior. In addition, he manages to overcome most of the empirical weaknesses of other studies on lending behavior toward family firms by applying a powerful method, i.e. conjoint-analysis. He uses a unique sample of 90 loan officers making the results extremely valuable and enhancing their credibility.

Results indicate that loan officers are influenced by information on the type and level of family involvement within the company of a prospective borrower. The study shows that loan officers react positively to family-related information. Furthermore, Thomas Pijanowski shows that loan officers are susceptible to the similarity bias in that they prefer family firms that are more similar to themselves with respect to their socioemotional wealth orientation, indicating that different loan officers treat different types of family firms heterogeneously as a result of behavioral biases.

Thereby, the present study makes an exceptional contribution to research in that it applies new theoretical concepts to the research question, starts to examine differences in lending behavior toward varying types of family firms and consequently addressing the issue of heterogeneity of family firms and finally employs an experimental approach in order to supplement the currently available studies.

In addition, it is a valuable piece of work for practitioners, especially for family firm executives who are concerned with raising funds and wondering whether to promote the company's familiness in this context. Overall, Thomas Pijanowski's dissertation exceeds common expectations for a doctoral thesis and therefore deserves a broad readership in both academia and management practice.

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