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LA PROPRIÉTÉ AFFECTIVE ET L’IMPLICATION DE LA GÉNÉRATION SUIVANTE DANS L’ENTREPRISE FAMILIALE

EMOTIONAL OWNERSHIP AND THE NEXT GENERATION’S EMOTIONAL IMPLICATION IN FAMILY FIRM’S SUSTAINABILITY

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Abstract

It has become a conventional advice in traditional business that emotion should be eliminated from business. Family emotions are one of the very important elements that represent a challenge for family businesses. Nicholson and Bjornberg (2008) claim that Next generations’ commitment leads to the firm’s sustainability. Yet, the literature has been discrete about the factors that anticipate such commitment. Moreover, the literature focus has been mainly directed to the transfer of legal and economic ownership rather than emotions while Emotional ownership represents the critical link between the current owner and the next generation. In this paper, we will showcase the main building blocks of this concept, its significance in the framework of next generation succession in family business and the role it plays as equilibrium of internal and external relationships in family firms especially with the next generation. Our purpose is to tackle the different facets of emotional ownership by answering the following question: Is Emotional Ownership an asset or a handicap to next generation succession in family business

Keywords: Emotions, Family Firm, Next generation, Succession, Emotional ownership, Psychological Ownership.

Résumé

Il est communément admis que l’émotion n’a pas sa place dans le business. Pourtant, les émotions représentent un challenge pour les entreprises familiales. Nicholson et Bjornberg (2008) affirment que l’engagement des prochaines générations conduit à la pérennité de la firme ; or, la littérature est discrète quant aux facteurs qui précèdent un tel engagement. En outre, la littérature s’intéresse généralement à la transmission de la propriété juridique et économique tout en omettant la propriété émotionnelle qui représente un lien critique entre le propriétaire actuel et la génération suivante. Dans cet article, nous souhaitons mettre la lumière sur les travaux ayant entretenu le concept de l’émotion en rapport avec l’entreprise familiale, notamment, le concept de la propriété émotionnelle et son rôle dans le renforcement des relations internes et externes lors de la transmission aux générations suivantes. A travers ce travail de recherche, nous allons essayer d’entretenir les différentes facettes de la propriété émotionnelle en répondant à la question: La Propriété Affective représente-t-elle un atout ou un handicap à la succession de la génération suivante?


Introduction
It is unquestionable that in business, it is vital for a firm to remain profitable over the long term. The weight of family businesses in the world’s economy needs not to be demonstrated (Allouche et Aman, 2000, Kenyon-Rouvenez et Ward, 2004). Family businesses represent two thirds (2/3) of businesses around the world and contribute with an estimated 70% to 90% of the global GDP annually (Family Firm institute, 2015\(^1\)). In Morocco, few statistics are made available about family businesses although it is clear that the latter weight a lot in the Moroccan economy. The majority of Family businesses takes the form of small and medium enterprises (SMEs) and represents more than 90% of the economic tissue. They contribute with 25% to 35% of the national GDP\(^2\) which justifies the raising concern regarding their succession, thus sustainability.

As far as family businesses succession in Morocco is concerned, it is important to highlight that the question of legacy and heritage might stimulate some ambiguity when it comes to capital transmission, from a juridical perspective. As the latter terms may in most cases forge to the necessity to share the capital with several family members, this may raise conflict between the different successors, thus, jeopardize the firm’s sustainability.

Consequently, it appears of great importance to mobilize another dimension stemming from the imbrications of two spheres - the “business” sphere and the “family” which imbrications-leading to a strong emotional dependence and interdependence. In fact, the emotional link to the business is a condition for success. Families and their businesses are characterized by a variety of emotions that result from day to day situations. They are not static and evolve interestingly through critical events (i.e. succession) to the extent that the boundaries between family and the business become quiet blurred (Danes and Morgan, 2004 and Labaki et al., 2013).

The consultation of former scientific work in family business management shows that less attention has been attributed to the importance and the role of emotions in Family business on the latter’s sustainability, in particular during the phase of business succession. In fact, it is almost impossible to study family firms without considering their emotional elements. In the framework of family firm succession, studies generally undertake the transfer of legal and economic ownership rather emotional ownership.

Often, family members will lose interest in the business and its sustainability simply because they have no emotional attachment to it. In this perspective, we place a particular focus, through this paper, on the emotional implication of family members and its impact on family business sustainability. The concept of “emotional ownership” aligns quiet well with this question as it refers to how the desire of future family members to join and develop the business is fostered. Through this paper we aim to shed the light, from both a conceptual and a theoretical perspective, on the dual facets of emotional ownership and its effect on family business succession.

Emotional Ownership appeared eight years ago and has brought to the field the concepts of identification and attachment of a next generation member to their family business, independently from their economic aspect of the firm ownership (Nicholson and Bjornberg, 2007).

\(^1\) Family Firm Institute, 2015. [http://www ffi.org/](http://www.ffi.org/)

Therefore, we aim to respond the following question: **Is Emotional Ownership an asset or a handicap to next generation succession in family business and what is its influence, as a driver of next generation’s attachment and identification to the firm, on the sustainability of family business?**

Answering the above question will allow us to understand better how the concept of emotional ownership has evolved throughout the years, why it represents a pillar for family businesses, how it is built within the next generation and whether it represents an advantage or a disability for family business sustainability.

Thus, we begin this paper with a provision of a general scope of family business where we introduce the main theories produced in this framework with a special focus on the specificities of the two main systems that form the family business - “the family system” and the “business system” - and how the intersection of the two may create a blurred space where logic and emotion generate enough confusion. The following section discusses how the study of emotions has evolved throughout the years and how the application of the latter has been implied to the field of business and management. Further, we tackle the importance of emotions and particularly the phenomena of emotional ownership in family business and their place specifically in next generation succession. Finally, we conclude by discussing how emotional ownership explains how next generation is linked to family business during the phase of succession and more importantly, how emotional ownership provides the legitimate background supporting the next generation’s attachment and identification to the family firm. Also, we propose certain premises in this framework that may shed the light on how emotional ownership, through its components and mainly that of psychological ownership may represent an asset or a disadvantage for the family business in regards to next generation succession.

1. **The scope of Family Business**

1.1 **The family system**

The dictionary of Economy and Social Sciences provides two meanings for family: it may refer to the group of people who have parental or in-law links (grand-parents, uncles, aunts, cousins … etc). It may also refer to the group of people who live together in a same house, generally parents and children. Based on the vocabulary of the formerly mentioned dictionary, family is “a group” characterized by common residency and adult cooperation of the man and the woman and their engendered or adopted children. Tchankam (2000)\(^3\) has shown that family is a large network of contacts amongst which there are providers, consumers and protectors. It generally provides labor (including apprentices) that must be managed and that is paid by the company regardless of the quality of its services.

According to Watzlawick (1972)\(^4\), family is a « system of continuous interaction where members are people communication with other people ». This definition outlines well the dynamic and the complexity of family system. Being an open system, family features a


constant interaction with its social environment: School, professional space, community, healthcare services… etc. Eventhough certain families have a limited social network, it is rare that they function as closed systems with no interaction with the environment. Further, Labazée (1991)\(^5\) considers the family institution as an arena of everyday competition that relates the financial equilibrium imperative to the constraints of solidarity within the family and its relational network.

The systems theory undertakes family differently. It does not define it as an addition of members; rather it considers family as a whole entity by itself. Ties between the family members are very close that the slightest behavioral change of one of them may have repercussions over the others as well as the whole family system (Watzlawick, 1972). All family members practice an influence over each other. In this perspective, the behavior of one member not only translates a reaction to other members’ behaviors, but it influences the other members’ behavior as well as the family through the process of retro-action (Watzlawick, 1972).

Social relationships in a family as a system of values open to the environment matches the observations of those in the field of business (Aronoff, 2004). For example, respect and trust are two important characters in enterprises where the weight of word and the viability of decision are highly favored and taken into consideration. In family businesses, the communication of values and beliefs – represent the base for its success (Barbot M. C., Bayad M., Bourguiba M. & Schmitt C., 2005).

1.2 The Firm system

In the 60s, the systems theory has been extended to business thanks to research endeavors of Forrester (1971)\(^6\). The firm may be in fact considered as an organization (it is effectively a social structure and a center of production), a complex system, made itself by sub-systems. The firm is an organized system of concrete (a sum of machines and people) and abstract (the rise of the notion of the firm culture) sub-systems (Mintzberg, 1982). It is an open system in a constant relationship with its environment where it secures its resources and endures its constraints. The firm’s creation by its owner is mainly stimulated by profit generation and has as an objective that Tchankam (1998)\(^7\) has called an efficient accumulation.

In family business, family members make all decisions and choose competitive strategies while aligning together the company’s success as well as the family’s well-being (Barbot M. C., Bayad M., Bourguiba M. & Schmitt C., 2005).

The presence of family in the business framework makes it an organization of a human size which management and control power are in the hands of seniors usually parents or grandparents (Handler 1989; Hugron 1998). No matter what the legal form adopted is, family businesses are usually exposed to an apparent confusion between the family and the firm patrimonies (Hirigoyen, 1981). It is the particularity of being at the intersection between a

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family system operating based on an emotive logic and a business system operating based on a rational logic (Goetschin, 1987), controlled by a compromise build on values, norms and objectives of both systems. From a strategic management perspective, this implies that the business progress control towards objectives realization is made within the respect of norms, rules and values adopted in systems of family and business (Chua et al. 1996). According to Davis (1983), it is an interaction between both organizations – family and business – that characterize family businesses.

2. Emotions

Emotions were first formulated in the psychology field by William James over a hundred years ago. He defined emotion as “a state characterized by physiological arousal, changes in facial expressions, gestures, posture and subjective feelings”. The word emotion derives from the Latin word “Motio” meaning “To move”. On the other hand, the Merriam Webster Dictionary defines emotion as

“a state of feeling or a conscious mental reaction (such as anger or fear), subjectively experienced as strong feeling, usually directed toward a specific object, and typically accompanied by physiological and behavioral changes in the body”. [Merriam Webster Dictionary]

Emotion is a term rooted in the affective philosophy. The affective scope of the everyday life is large but difficult to define. The vocabulary of emotions is very rich providing many words to speak and articulate what we feel or what we recognize hardly within ourselves, creating a warm animation of each of us on a daily basis. From Platon who considered emotions as a logic disruptor to Kant who considered emotions as a sickness of the soul, to Darwin for whom emotions are integrated in evolutionary behaviors of species, to Sartre who considered them as a mode of consciousness existence, the field of emotions is cacophonic in philosophy as well as in popular representations.

Sometimes we search for emotions while sometimes we may have a tendency to avoid them. To not have emotions is the purpose of some philosophers (Nirvana philosophies) while liberating them and making them circulate freely is the objective of certain therapies such as the “Humanistic” one, each is supposed to restore, maintain or develop the joy of life. On the other hand, it wise to know how to utilize them efficiently in firms.

Emotions in the workplace are essential indications of work environment. In the business world, emotions can have a huge impact on the overall morale, productivity and job performance of employees. They are distinguished via two streams: one of positive emotions and one of negative emotions both justified by what researchers have called “Emotional contagion”. Emotional contagion refers to how emotions of one employee are transferred to another via nonverbal channels (Hatfield, E., Cacioppo, J. T., & Rapson, R. L., 1992). Positive emotions can increase worker commitment, motivation and performance, while negative emotions can cause stress and high turnover or absenteeism.

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9 JAMES W. (1884), “What is an Emotion?”, Oxford University Press on behalf of the Mind Association, Vol. 9, No. 34,
In management literature, emotions are usually perceived in their discrete forms which correspond to what psychologists call “secondary emotions”, such as emotions of anger, joy, fear, happiness, pride, guilt, and excitement, which refer to affective states whether positive or negative (Lazarus, 1991). Emotions in the family firm form a persistent debate throughout the history in an environment marked by the coexistence of internal managerial and emotional infinities influencing the harmony of ideas towards a defined common objective. Power and control, freely practiced amongst family members in the organization, increase the intonation of emotions and conceptions developed by each of the persons located in the center of the organization. Additionally, emotions linking the firm’s owner to his successor are unique requiring a delicate approach to how relationships are maintained taking into consideration the successor’s interests.

3. The role of emotions in family business

Family firms are emotional arenas distinguished by genuine relations that take place within them combining norms, customs and values which themselves form strong intersections in human relations in organizational settings (Hall, 2003). According to Barrett (1998)\(^{10}\), the intensity of emotions is strongly related to the level of proximity with other individuals. Although the relationship between firm and family is quiet blurred, recent researchers have recognized and refocused on the role of emotions in family business as a way to define the relation that links family to the firm.

Rimé and al. (1998)\(^{11}\) for instance have demonstrated that individuals who have endured emotionally charged events are more likely to share these emotions. In the family business field, emotions were mainly attributed to the family aspect of it (Fleming, 2000). Scholars have insisted on the complexity and confusion of emotions in the family business field (Zellweger & Astrachan, 2008; Brundin, 2008). For instance, succession is an emotionally charged event and the spread of these emotions in the family firm result in a strong commitment to the latter (Brundin and Sharma, 2013). Also, the sustainable family business theory (SFBT) model stipulates that the family and the business are equal moving towards mutual existence as success of one system forges into the success in the other, and similarly, issues or changes in one forges into issues or changes in the other (Danes et al., 2008; Heck et al., 2006).

In fact, the manifestations of emotion in family business seem to be more complex than in non family firms (Lazarus 1993). To understand these dynamics, concepts such as the one suggested by Brundin and Sharma\(^{12}\) which they named “emotional messiness” have been developed. Emotional messiness draws on the hybrid state of family business that brings along two incompatible entities “the family” and “the business”. “Family” is tied to a certain value system of traditions whereas “Business” is linked to a profit based system, stressing the latter’s maximization and self interest (Foreman and Whetten, 2002).

\(^{10}\) Barrett LF. (1998), Discrete emotions or dimensions? The role of valence focus and arousal focus. Cognitive Emotions, 1998, 12.

\(^{11}\) Rimé, Finkenauer, Luminet, Zech & Philippot (1998), Social sharing of emotion: New evidence and new questions, European review of social psychology 9 (1)

Gomez-Mejia, Cruz, Berrone, & DeCastro (2011) proposed that the key element that distinguishes family firms from other institutions is the role that socio-emotional wealth, which the authors defined as *the stock of affect related value invested in the firm*, plays as a determinant of the decision making processes. Socio-emotional wealth refers to how decision makers may use non-economic aspects as a reference to make and define gains judgments (emotional gains) and those of as well-losses (emotional losses) instead of economic references. Family business owners have a tendency to consider socio-emotional as a priority over economic aspects of the firm as they proceed with decision making.

On the other hand, there has been a growing interest in the emotional aspects of ownership in family business over recent years. This has led researchers to call for considering ownership as a relevant feature to explain the family vs. business relationship (Brundin et al., 2008), thus suggested several emotional constructs like emotional ownership (Bjornberg and Nicholson, 2008). The study of emotional ownership in family business has solicited the construct of “psychological ownership” and its building blocks. To control an object, coming to intimately know the target and investing one’s self in the target explain how psychological ownership comes into being (Pierce et al., 2001). Research denotes that *possessiveness*, the primary building block of psychological ownership (Avey, Aviolo, Crossley and Luthans, 2009) may lead to a strong emotional ties in family business (Brundin, Florin-Samuelsson and Melin, 2008) and emotional ownership (Nicholson and Bjornberg, 2008).

Bjornberg and Nicholson (2008)⁵ define emotional ownership as what psychologists call “identification”. The strong feeling of being “one” with the family business promotes a strong relationship between the business and one’s identity as the family business becomes an extension of their own self (Belk, 1988) and the family business member’s identity (Pierce et al., 2001). Such relationship may make the family business members very reluctant to depart the firm bringing us to the concept of emotional messiness (Brundin & Sharma, 2013) as the predecessors find it difficult to dissociate from the business as opposed to their obligation to transfer the latter to their successor who’s also a part of the family bond.

To emotionally be an owner of the firm, one is ought to define meaning in life. However, as much as emotional ownership and psychological ownership share common aspects, they also differ in terms of possessiveness (Bjornberg and Nicholson, 2012). In addition to psychological ownership, emotional ownership signals important aspects of the individual’s identity rendering feelings of belongingness through attachment and social identification (Bjornberg and Nicholson, 2012). The manner in which psychological ownership is related to emotional ownership in family business will be discussed in further details in the upcoming sections.

### 4. Emotions in Next generation succession:

In many family businesses, intergenerational succession is determined by personal factors. Succession is an event involving both individual and interpersonal relationships, the most critical determinants of satisfactory generational continuity (Rose, 1993)⁴. The question is not that of knowing who will become a successor but to recognize and to solve problems linked to succession.

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According to Holt and Popp (2013), a family firm is not simply a collection of premises, machines, capital and bodies; it is a constellation of emotions. Emotion is relevant when we think of a context of death, sickness, divorce, boycott or fraud. In certain cases, the predecessor knows the amount or the sentimental value that he is ready to accept to leave his enterprise (Scarratt, 2006) with which he has build a psychological attachment since the moment of its creation. The value for the owner includes the attachment and the calculation of personal efforts he deployed throughout the years (Senbel et St-Cyr, 2006). These values are often superior to others that are more rational. According to the studies conducted by Senbel et St-Cyr (2006), the emotional value attributed by the predecessor would be above its fair value. A too high emotional value may disturb the transaction. This emotional or sentimental value does not correspond, in fact, to the value established by independent people such as a certified accountant. In this same perspectives, Holt and Popp (2013) argued that succession difficulties emerge mainly from the inter-generational emotional dynamics of the family rather than legal ones.

Several studies have featured the next generation succession in family business (Nicholson and Bjornberg (2012); Chua J H., Sharma P. Chrisman J.J. (1996); Chrisman and Sharma (1998)). Succession might be welcomed and undertaken either with positive or negative emotions depending on how it is anticipated. Authors note that for senior generations currently in leadership, succession is emotional as they realize that they must abandon control, while for successors the event of succession represents access to greater power. For instance, successors’ emotions can vary depending on the degree to which new leadership is taking the position out of true desire, family obligation, or both (Lumpkin and Brigham, 2011) while Incumbents may endure negative emotions (thoughts of revenge) if they feel forced out, rather than based on their own desire to hand the business to the following generation (Sonnenfeld & Spence, 1989).

In fact, unbalanced succession may threaten more than the firm, actually the family itself could be at risk (Rose, 1993). Rose (1993) describes succession in family firms as a ‘severe shock’, ‘trauma’, and an ‘agonizing experience’. Successful succession in family firms depends on the inclusion of next generation members. Nicholson and Bjornberg (2012) claim that the ‘next generation’s commitment is the key to the continuity of the family firm, especially when the latter would favor the ownership succession process. Committed members are more likely to become professionally engaged in their family firm, to cooperate throughout the transition process and generate satisfaction vis à vis the succession process (Dyck, Mauws, Starke, & Mischke, 2002). Additionally, Nicholson and Bjornberh (2012) theorized that strong links exist between ownership and family relationships through the attachment that children and adults develop toward significant others in the family system leading towards attachment to the firm. These authors also theorized that

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“Perceptions of ownership are cognitively and emotionally interwoven with the process of forming and maintaining an identity based on belongingness to a social group”. [Nicholson and Bjornberh (2012), Emotional Ownership: The Next Generation’s Relationship With the Family Firm. P. 379]

Emotions are transferred from generation to generation (Nichols and Schwartz., 2006). This proposition applies to business families who encourage ties between generations thanks to a strong set of family values and history which are transferred to the next generations (Denison et al., 2004). Longitudinal perspectives explain emotional operations in the family as patterns are re-produced throughout generations, thus legitimizing emotional functioning of next generations.

5. Next generation succession and emotional ownership

It is a proven fact that relations in family business are emotionally charged which has a powerful effect on the commitment to the firm (Brundin and Sharma, 2013). Emotional ownership is a concept that was originally developed to understand the next generation family member is related to their family business. It is defined as “the cognitive and affective state of association that describes a (young) family member’s attachment to and identification with his or her family business” (Nicholson & Björnberg, 2008). It is conceptually related to the notions of social identification, psychological ownership and affective organizational commitment.

5.1. Social identification


“social identification captures how much the individual regards his or her fate as intertwined with a specific group or category that the individual classifies himself or herself as belonging to, experiencing its success or failure as one’s own” [Björnberg & Nicholson (2012), Emotional Ownership: The Next Generation’s Relationship With the Family Firm. P. 380]

Organizational identification is one aspect of social identification. According to Van Knippenberg and Sleebos (2006), the more people identify themselves with an organization, the more they tend to incorporate its values, norms, and interests in the way they perceive themselves. In fact, social/organizational identification to the firm has many positive outcomes/implications. Mael and Tetrick (1992) for instance found that individuals showing organizational identification are more likely to stay in their organization. Moreover, social/organizational identification to the firm may result in organizational commitment, positive evaluation of the group and the adoption of their values (Turner, 1984).

The strength of social identification differing from a generation to another appears to be strongest among the original entrepreneurs/senior generations currently in charge of the business, yet declines among the following generations. Hence, the lack of clarity in roles and relationships may cause conflicting connections between family members including those

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currently in charge and especially those of the next generation even if they display Emotional ownership (Honeb and Kamal, 2015).

**P 1: Emotional ownership is stronger amongst senior generations**

On the other hand, Sharma and Irving (2005) theorized that commitment can replace competence. The authors use four different next generation commitment types: affective, normative, calculative and imperative. The affective type of commitment is based on a basic yet inner emotional involvement and a strong identification resulting in a feeling of “I want to take over”. The normative commitment is based on the obligation of taking control as a result of values and traditions leading to “I ought to”, yet not related necessarily to a negative attitude. The calculative commitment is based on conscious decision that stipulates “I have too much to lose if I don’t take over”. As to the imperative commitment, it refers to a more pressuring force to take control because “I wouldn’t make it in any other business”.

Affective commitment aligns with emotional ownership as it displays how next generation may act towards succession from an emotion-driven perspective.

**5.2. Affective commitment**

Affective commitment is based on “an individual’s emotional attachment to, identification with, and involvement in the organization” (Meyer & Allen, 1991). It is characterized by a will to be involved with the target which is in this case the family firm. An individual with high affective commitment to an organization displays a strong belief, a tendency to easily accept and even excitement to be part of the organization and get involved in achieving its goals. Business involvement based on affective commitment comes along simultaneously with a vivid contribution to the organization and a fruitful satisfaction of one’s own ambitions and aspirations particularly from a professional/career perspective.

Therefore, when a successor chooses to pursue a career in their family business resulting from a feeling of ‘desire’, they are most likely to persist in that career and invest maximum efforts in the job (Sharma & Irving, 2005). Eventually, the degree of affective attachment can differ in terms of intensity depending on which generation is involved, whether the inheritor is a sibling or an in-law and how much the person involved has/is willing to invest in the firm leading to the assumption that siblings, family of origin are more attached to the firm than in-laws (Hoy and Sharma, 2010).

As one of the three building blocks of emotional ownership, affective commitment may have some implications for next generation in terms of their attachment, involvement and the successor’s status within the family.

**P 2: The next generation’s successors’ status within the family is likely to determine the degree of emotional ownership towards the family firm.**

**5.3. Psychological ownership:**

It represents the third component of emotional ownership; it is a psychologically experienced phenomenon in which an employee develops possessive feelings for the target. Pierce
defined psychological ownership as the state in which an individual feels that an object (i.e., material or immaterial) is experienced possessively (i.e., it’s ‘MINE’ or it is ‘OURS’). Possession is the core of psychological ownership (Furby, 1991). Possessive feelings can refer to tangible or intangible objects (Beaglehole, 1932), and can occur based on legal ownership or in the absence of legal ownership (Wilpert, 1991). There is a close connection between possessions, feelings of possession, and feelings of ownership (James, 1890). According to the latter author:

“A man’s Self is the sum total of all that he CAN call his, not only his body and his psychic powers, but his wife and children, his ancestors and friends, his reputation”. [James W. (1890), The principles of Psycholog. P. 291]

Studies on the effects of psychological ownership stipulate that people with a strong sense of psychological ownership have a tendency to experience a sense of concern, care and responsibility towards their target of ownership (Baer & Brown, 2012). To this effect, psychological ownership has been found to be positively related to job satisfaction, organizational commitment, organization-based self-esteem, and work behavior such as performance and organizational citizenship (Van Dyne & Pierce, 2004). However, psychological ownership has some negative implications such as territoriality causing individuals to engage in protective behavior (Avey et al., 2009), resistance to exchanging ideas (Brown & Robin-son, 2007) and a rejection of the others’ contributions (Pierce, Jussila, & Cummings, 2009).

As a way to differentiate Psychological ownership from Emotional ownership, it is important to note that psychological ownership builds on possession which is part of the latter but not part of Emotional Ownership (Nicholson & Bjornberg, 2008). Emotional Ownership is considered as a cognitive and affective status characterizing a young family member’s attachment to and identification with their family business. It is regarded as a sense of self that extends from family membership leading to belongingness to the family business. (Nicholson & Bjornberg, 2008). Unlike Emotional ownership, psychological ownership and affective commitment do not capture these key aspects of individuals’ relationship (young ones specifically). Further, family members who are involved in the management of the firm without any attachment to or identification with the family business are likely to be insufficiently engaged with its core being and goals23. Vera (2005)24 shows that integrating Next Generation family members in the family firm is not always a piece of cake depending on their relationship with senior members. Eventhough psychological ownership has been found to be a positive resource resulting on next generation commitment, it may result in negative outcomes such as the refusal to share the target of ownership and resistance to change yet, generally resulting in the experience of strong levels of psychological ownership (Ceja, 2011).

P 3: Emotional ownership drives strong positive implications based on attachment, commitment and identification towards the firm amongst next generation family business members.


Vera C. F. & Dean M. A. (2005), An examination of the challenges daughters face in family business succession, Family Business Review, 18
In addition, the concept of psychological ownership entails control (Nicholson and Bjornberg, 2008) which is an aspect of ownership that, with an emphasis on family climate (important for the family everyday dynamics) and the nature of relationship with senior generations might form a controversy since the latter may find it difficult to allow next generation family members to take control, relinquishing their empowerment, thus resulting in a reluctance in their propensity to generate psychological ownership.

**P 4a: There is a positive correlation between control and the failure of Family business succession.**

**P 4b: The next generation empowerment and involvement in decision may strengthen their emotional ownership.**

On the other hand, Ceja and Tapies (2011) brought introduced two concepts that outline the two facets of psychological ownership as part of how the latter is manifested by next generations through their relationship with the family firm: Positive psychological ownership linked to commitment and responsibility towards the family firm and negative psychological ownership related to the lack of freedom, stress and frustration.

Additionally, psychological ownership is a constructing block of Emotional messiness as a source for many contradictory emotions and emotionally charged situations in the family firm. Emotional messiness mainly arises due to psychological ownership, hybrid identities and psychological contracts. Family firm member successors often have their individual identity interlaced with the firm. When psychological ownership is not being taken into account successors might lose their identity which can lead to emotional messiness (Brundin & Sharma, 2013).

Hence, as Emotional messiness stipulates that psychological ownership creates emotionally charged situations in family business, it may lead, therefore, to positive or negative implications on next generation commitment and succession depending on how intense their emotional attachment to the family business is and on their family status (a child, sibling or an in-law) (Brundin & Sharma, 2013).

**P5: Emotional ownership may engender negative and/or positive implications for next generation succession.**

Consequently, the former advances result in a fair assumption leading us to question the implication of negative and positive implication of emotional ownership and a call for further research in regards to whether emotional ownership represents an asset or a handicap for next generation succession.

**Conclusion and future research directions**

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In this paper, we set out the ground for discussion in regards to the role of emotional ownership and its implications for the family business. Theoretically, our reasoning showcases how emotional ownership represents an engine facilitating the preparation for succession in family business. Empirically, studies have shown how creating emotional ownership demands both time and stability accentuating the picture of the family business as an emotional arena.

Members of family firms are ought to perceive emotions including emotional issues as natural events in the firm.

We have concluded this paper with five assumptions presuming that emotional ownership presents positive and negative implications for next generation succession in family business:

- **P 1:** Emotional ownership is stronger amongst senior generations
- **P 2:** The next generation’s successors’ status within the family is likely to determine the degree of emotional ownership towards the family firm.
- **P 3:** Emotional ownership drives strong positive implications based on attachment, commitment and identification towards the firm amongst next generation family business members.
- **P 4a:** There is a positive correlation between control and the failure of Family business succession.
- **P 4b:** The next generation empowerment and involvement in decision may strengthen their emotional ownership.
- **P 5:** Emotional ownership may engender negative and/or positive implications for next generation succession.

Ideas entailed in this paper present a research opportunity along different dimensions particularly the fact that there is a need to conduct further theoretical analysis and empirical studies to understand the different profiles of emotional ownership and whether it represents an asset or a handicap for the family firm. Secondly, this article provides the ground for integrating other variable that intervene in conjunction with emotions and in the same framework as emotional ownership such as culture. Studies in this field have been conducted yet are still limited. For instance, Bjornberg and Nicholson (2008) found that emotional ownership (EO) is especially strong in Latin cultures and suggested a cultural difference in terms of emotional ownership intensity between family firms in different cultures.

Eventhough emotional ownership is witnessing an accentuation in terms of interest as a phenomenon that helps explain succession for next generation succession, its antecedents and consequences, there is still a long way to defining the emotional aspects of ownership in family business.

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