

≈ SUMMARY ≈

A PRELIMINARY STUDY OF ENTREPRENEURIAL FAMILY BUSINESSES IN NEW ZEALAND, AND SOME IMPLICATIONS FOR GROWTH

*Christine Woods, Deb Shepherd, David Irving & Claire Dale
The Business School, University of Auckland, New Zealand*

Principal Topic

Family Business was rediscovered as a global phenomenon in the 1980s, about 10 years after researchers had rediscovered that, internationally, small and medium-sized businesses make a significant contribution to output, and to employment. In much of the traditional literature, Family Business is negatively stereotyped either in a 'mom and pop' model, as the corner store business, incapable of significant growth; or in a 'patriarchal' model, hierarchical, dominated by the founder, and resistant to change. In the orthodox economic model of the firm, the family firm is merely one stage in the life of the enterprise, following the start-up period and preceding the public company phase. In all of these, the Family Business is a limited and limiting model.

The new academic field of Family Business was given coherence and direction by Sharma (2004). Although research on Family Business in New Zealand is sparse, it appears that here, too, many large and small businesses are family businesses. Also, interestingly, despite constraining stereotypes, and although they would meet only the loosest criteria, some very successful New Zealand CEOs choose to identify their enterprises as family businesses, indicating that Family Business has positive connotations in New Zealand. It would be useful to investigate the prevalence of entrepreneurial Family Businesses in New Zealand. It would also be useful to explore the various definitions of Family Business, giving particular attention to attribution of positive and negative characteristics.

Methodology/Key Propositions

This study, drawing on Sharma (2004), combines qualitative and quantitative aspects. Qualitatively, the research will contribute to understanding the relationship, if any, between academic and applied definitions of family business in New Zealand. Quantitatively, research includes a review of the information and data currently available on Family Businesses in New Zealand. It then reports a statistical assessment of a small sample population of self-selecting entrepreneurs, alumni of The ICEHOUSE, a business incubator and accelerator, for the number and size of Family Businesses, in comparison to the total population of alumni. The research will contribute to the development of profiles of entrepreneurial businesses in New Zealand, in addition to the more particular aim of developing a profile of entrepreneurial family businesses.

Implications

This research will advance the first author's investigation of Family Business in New Zealand. It will provide additional insight into the relationship between family, business, and entrepreneurship. It will make a contribution to the important and currently under-researched field of Family Business in New Zealand. In addition, because the total population of ICEHOUSE alumni self-identify as growth-oriented entrepreneurs, the research will contribute a useful comparison to data collected from all New Zealand businesses in surveys such as the GEM.

CONTACT: Christine Woods. The Business School, University of Auckland, New Zealand.
Tel: 64 9 3737599 x85101, Email: cr.woods@auckland.ac.nz