

Responsible behavior of family micro-firms as a strength to overcome crises

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Family businesses are the backbone of most economies around the world and have specific and unique characteristics, consequently we found interesting to analyze their behavior in view of the economic consequences caused by the Covid-19 pandemic. Does the responsible behavior in family firms is a key factor against crisis? This paper aims to answer this research question by studying the reactions of these types of organizations during the months of severe confinement in Spain, to throw light over three main administration aspects: long-term strategic orientation, human resources management and the financial situation. Family participation in strategic decisions contributes to transferring -from one generation to another- the family principles and values to the business; thus, emotional bonding, the importance of unity and loyalty among its members, and a deep sense of responsibility, should be transmitted. For the family managers It is common to adopt a long-term vision and to appreciate in a special way the corporate reputation and the creation of lasting relationships with third parties, in order to build an important social capital (Miller & Le Breton-Miller, 2006). Likewise, family firms tend to create a special relationship with its employees, considering the human resources as a unique, distinctive and really valuable asset (Arregle et al., 2007). Similarly, and thinking right on the next generations, the creation of sustainable value prevails over short-term financial performance (Zellweger et al., 2012). The empirical analysis was developed using the exploratory case study methodology, with a sample of 14 companies from different economic sectors. This technique allows the research of current situations within its real context. We employed a purposive sampling technique. We conducted semi structured interviews with key informants. Results show that the long-term orientation, innovation strategies, committed behavior towards employees and a conservative financial policy have allowed family firms to better withstand the crisis caused by the pandemic. The preliminary results of our exploratory study are a first approximation on how companies should face the challenge of surviving in the post-Covid world.