

## CHAPTER-VII

### Discussion of Findings

#### 7.1. Introduction

This chapter presents the key findings of the study. It is divided into three sections: *Section 7.1* introduces the chapter. *Section 7.2* presents the major findings related to the study's objectives and *Section 7.3* presents an integrative model derived from the findings of all three research objectives, highlighting the unique factors that contribute to the success and sustainability of Family Business (FB).

#### 7.2. Major Findings

This section presents the findings of the study organized according to the stated research objectives. The conclusions derived from the analysis are also presented and linked with the relevant theories and literature discussed in earlier chapters.

##### **Objective 1: To present the status of family businesses in Assam**

The study reveals that a considerable number of FB in Assam are predominantly owned by the Marwari community, underlining the influence of cultural heritage in shaping entrepreneurial traditions. These businesses tend to have a longer operational history, with many established over generations, in contrast to relatively recent Non-Family Businesses (NFB). Sector-wise, FB are mainly concentrated in manufacturing and retail, reflecting traditional business orientations. Legal structures such as sole proprietorships and partnerships dominate, showcasing preferences for ownership forms that ensure control remains within the family. Second and third generation family members are actively involved in management, indicating continuity and succession. However, leadership is predominantly male-dominated, with limited female succession, pointing to the gender gap in leadership roles. Diverse family based structures such as sibling teams, cousin consortia, and spousal partnerships are common. The study also finds that succession planning and employee involvement vary across communities. While certain communities like the Marwaris demonstrate more structured succession planning and stronger employee loyalty, others show less preparedness. Additionally, FB encounter operational challenges

such as a shortage of skilled workers, external raw material dependency, increased input costs, and regulatory compliance issues like GST.

These findings indicate that FB in Assam are deeply embedded in community and cultural contexts, consistent with Institutional theory (Tina Dacin et al., 2002), which explains how social norms and traditions influence organizational behaviour. The resource-based view (Barney, 1991) further supports the notion that intangible resources like legacy, intergenerational knowledge, and trust form the basis of sustainable competitive advantage in these firms.

**Objective 2: To investigate the association between socioemotional wealth and family business success**

The findings show that Entrepreneurial Orientation (EO) does not have a strong direct influence on FB success. Instead, Socioemotional Wealth (SEW) plays a more critical role. The data indicates that FB prioritize preserving emotional and relational aspects such as identity, legacy, and family control over aggressive risk-taking. SEW emerges as a mediating factor, bridging family values with strategic decision-making.

These insights confirm the applicability of SEW theory (Gomez-Mejia et al., 2011), which asserts that non-financial goals are central to FB behaviour. In Assam's context, FB are more focused on maintaining harmony, reputation, and long-term survival. Emotional fulfilment derived from family unity and continuity appears to drive their decisions more than financial maximization.

**Objective 3: To compare resilience factors between family and non-family businesses**

The comparative analysis shows that FB outperform NFB on 24 of the 28 resilience factors. Strengths include higher employee loyalty, strong internal financial support, and close community relationships. FB demonstrate greater flexibility and adaptability, especially during crises like the COVID-19 pandemic. They tend to rely on internal coping mechanisms such as personal savings, family labour, and relational trust instead of external funding or formal crisis protocols. Human capital development in FB is characterized by long-term retention strategies and informal, relational incentives, in contrast to the performance-based systems in non-family firms. Decision-making is centralized and rapid

due to personalized leadership structures. Their organizational culture promotes adaptability and trust, key elements in times of disruption. The COVID-19 crisis underscored these strengths, as FB displayed rapid responsiveness, collaboration among family members, and minimal reliance on government aid. These results align with the resource based view, emphasizing internal resources as a source of advantage, and also support institutional theory by highlighting how embedded cultural norms contribute to organizational resilience.

The study concludes that the FBR and sustainability in Assam are grounded in community-specific values, legacy orientation, and socioemotional goals. These businesses leverage multi-generational knowledge, internal trust, and informal networks to maintain stability and respond effectively to crises. Although they face challenges such as gender disparity, workforce shortages, and limited access to policy support, their unique strengths position them for long-term survival.

The findings reinforce theoretical insights from SEW theory, agency theory, RBV, and institutional theory. Together, these perspectives explain the structural, emotional, cultural, and strategic foundations of FBR in Assam. The findings from all the objectives are tabulated below (Table 7.1) for better representation.

**Table 7.1:** Summary of Findings and Conclusions across Objectives

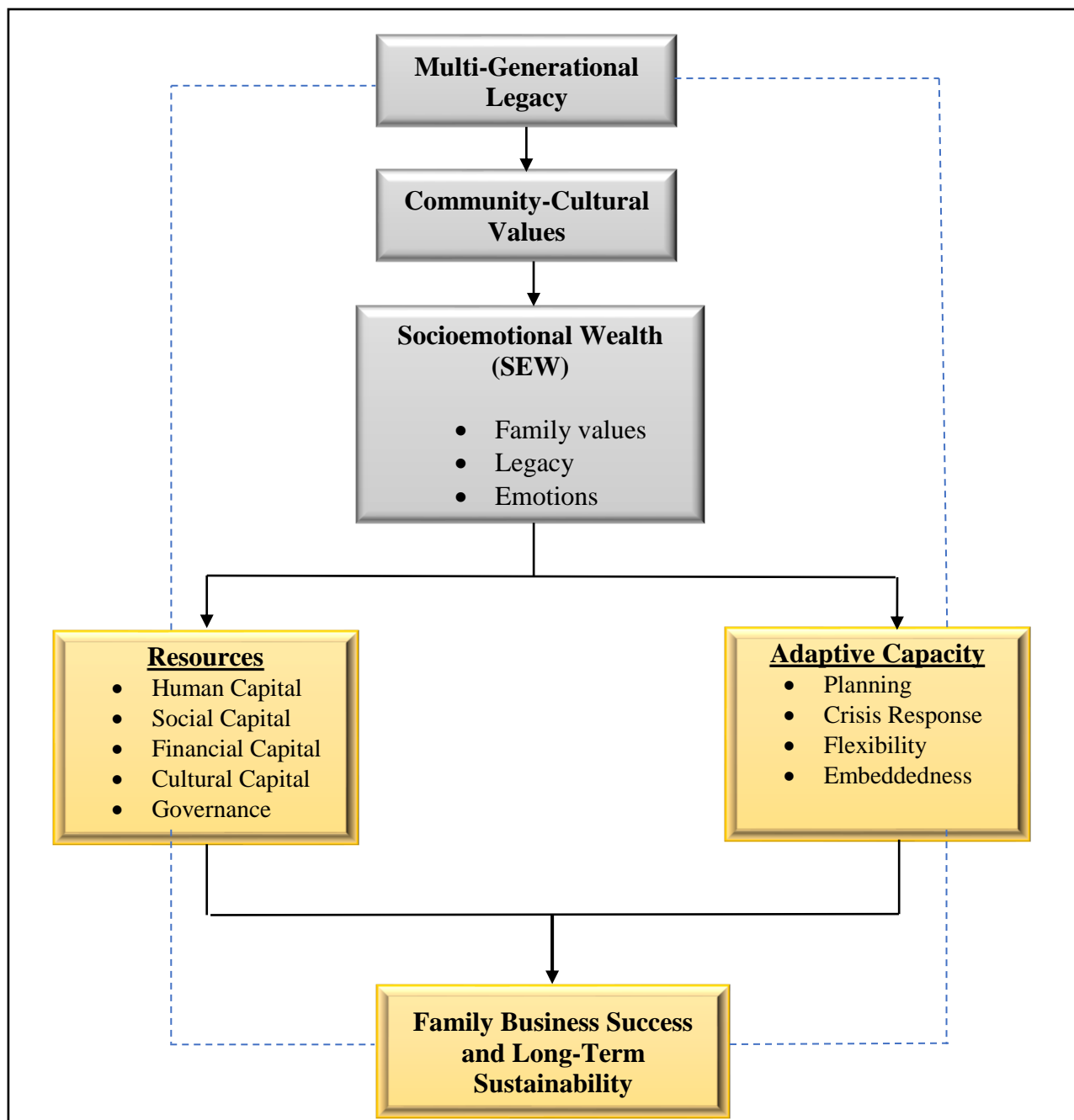
Objective	Findings	Conclusion	Unique Factors
<b>To present the status of family business in Assam</b>	More Marwari Community	Community influence on structure and planning	Community-specific business values
	FB are old and NFB are recent	FB have historical depth	Legacy and generational continuity
	FB are mostly in manufacturing and retail	Sectoral concertation in traditional industry	Tradition based business orientation
	Use of Partnership vs. Sole Proprietorship	Shared ownership preferences	Family ownership structures
	Second and third generation management	Multi-generational involvement	Generational Knowledge transfer
	Low female succession	Gender gaps in planning	Need for inclusive succession planning
	Organisational structure (Sibling, Cousin, Spousal)	Diverse family based structures	Family-oriented governance model

Objective	Findings	Conclusion	Unique Factors
	Male dominated participation of family members	Gendered involvement	Internal social dynamics
	Succession varies across community	Cultural influence on planning	Community and culture-driven practices
	Employee reactions differ across communities	Loyalty and inclusion vary	Employee trust and involvement
	Skilled workforce shortage	Reliance on external labour	Operational dependency
	External raw material dependency	Higher input cost	Supply vulnerability
	GST and Competition challenges	Survival struggles	Need for policy support
	Limited support and subsidy access	Systemic delays and constraints	Weak external institutional support
<b>To investigate the association between socioemotional wealth and family business success</b>	EO has limited direct impact	SEW matters more	Emotional-social goals over risk taking
	SEW mediates success	Dual goals: economic + emotional	Socioemotional legacy preservation
<b>To compare resilience factors between family and non-family businesses</b>	FB are stronger in 24 resilience factors	Higher resilience in family firms	Family support, commitment, and trust
	Higher employee loyalty, financial support, and local access	Internal capital critical	Informal and community-based capital
	Crisis time HR and finance practices differ	Long-term employee focus	Employee-centric crisis response
	FB are self-reliant in crises	Minimal external dependence	Internal coping mechanisms
	FB are flexible and trust based	Culture as strategic asset	Adaptive culture and trust systems
	COVID: Family labour, adaptability, collaboration	Fast crisis responsiveness	Embeddedness and agility

*Source: Compiled by the researcher*

### 7.3. Proposed Model for Unique Factors of Family Business Success

Based on the above findings, a conceptual model has been developed to illustrate the unique factors contributing to the sustainability of FB in Assam. The model integrates cultural, structural, and strategic dimensions that enhance business continuity and resilience which is depicted in Figure 7.1.

**Figure 7.1:** Model for Unique Factors of Family Business Success

This model highlights how FB achieve success and sustainability not merely through economic strategies but through embedded values, emotional goals, and community-oriented practices that create long-term resilience.

### *7.3.1. Multi-Generational Legacy*

FB in Assam are often characterized by a strong multi-generational legacy. These enterprises have been passed down from one generation to another, embedding deep-rooted knowledge, values, and business traditions. This long operational history contributes to organizational stability and continuity. The legacy factor not only shapes business practices but also fosters a sense of responsibility among family members to preserve and grow the business. This intergenerational transfer of experience and culture becomes a foundational strength, setting family firms apart from their non-family counterparts, which may lack such historical continuity.

Moreover, this legacy reinforces socioemotional wealth by nurturing a collective identity and emotional attachment to the firm. It also directly influences the development of internal resources such as human and cultural capital by transmitting business acumen, norms, and roles across generations, thereby strengthening the firm's adaptive capacity in times of change.

### *7.3.2. Community-Cultural Values*

Community and cultural backgrounds play a pivotal role in shaping the identity and structure of FB in Assam. Different communities, such as the Marwaris, Punjabis, and Nepalis, bring distinct business ethics, governance patterns, and succession planning strategies rooted in their cultural traditions. These values influence how businesses are owned, managed, and passed on. For instance, communities with stronger collective values demonstrate more structured succession planning and greater employee loyalty. This cultural embeddedness supports the institutional theory framework, which argues that organizations are influenced by the norms and traditions of their surrounding social environment.

These community cultural values are also deeply interconnected with SEW, providing the emotional and normative foundation for maintaining family control and continuity. They also influence the type and strength of internal resources, such as social and cultural capital, and guide adaptive capacity by shaping how families interpret and respond to external threats or opportunities.

### *7.3.3. Socioemotional Wealth*

SEW lies at the heart of FB decision-making. It encompasses the non-financial aspects that family owners seek to preserve, such as family identity, legacy, emotional attachment, and control. In the Assam context, SEW has emerged as a stronger predictor of business behaviour than traditional entrepreneurial orientation. FB are more driven by long-term survival, harmony, and reputation than by short-term profit or aggressive growth. This emotional commitment acts as a bridge between familial priorities and business strategies, reinforcing unity and a collective vision. The central role of SEW aligns with the SEW theory, which suggests that emotional and relational goals are vital to FB operations.

SEW is both shaped by and reinforces multi-generational legacy and cultural values. Furthermore, SEW directly influences how internal resources are mobilized and how adaptive capacity is exercised especially in areas such as crisis planning, employee retention, and role flexibility. This integrative function of SEW is central to FB sustainability.

### *7.3.4. Resources*

FB leverage a range of unique internal resources that provide them with competitive and resilience advantages. These include human capital exhibited through loyal and long-serving employees and social capital, which reflects strong internal and external relationships built on trust. Financial capital is often sourced internally, through family savings and informal networks, reducing dependency on external funding. Cultural capital, including shared values and rituals, reinforces cohesion, while governance structures, such as sibling teams or spousal partnerships, ensure that decision-making remains within the family. According to the resource based view, these distinctive and hard-to-imitate internal resources contribute significantly to long-term business sustainability.

These resources are both a product of SEW and multi-generational legacy as trust, loyalty, and internal cohesion stem from emotional commitment and long-term orientation. In turn, these resources feed into adaptive capacity, enabling the business to effectively navigate challenges and seize opportunities with internal strength and flexibility.

### 7.3.5. Adaptive Capacity

Adaptive capacity refers to a FB's ability to respond swiftly and effectively to change, especially during times of crisis. The study reveals that FB in Assam demonstrated remarkable resilience during the COVID-19 pandemic by relying on internal coping mechanisms such as family labour, savings, and informal decision-making. Their planning processes, although often informal, are rooted in relational trust and collective judgment. Flexibility in role assignment and operational adjustments allows for quick responses to disruptions. Moreover, their strong embeddedness within local communities provides access to support systems and insights that enhance their responsiveness. This capacity to adapt rapidly is a key component of their resilience.

Adaptive capacity is empowered by both SEW and resources where the emotional drive to preserve the family and the strength of internal capital work together to enable resilience. The success of planning, crisis response, and flexibility is underpinned by the values inherited through legacy and cultural norms, completing the loop between emotional, cultural, and strategic dimensions.

### 7.3.6. Family Business Success and Long-Term Sustainability

The culmination of these interconnected elements legacy, culture, socioemotional wealth, resources, and adaptive capacity leads to the sustained success of FB. Unlike firms that prioritize financial returns alone, FB in Assam pursue a dual goal of economic viability and emotional fulfilment. Their long-term sustainability is underpinned by deep familial bonds, strategic resource use, and culturally informed practices that enable them to withstand market volatility and institutional voids.

This holistic model demonstrates that FBS is multifaceted, rooted not only in economic strategy but also in emotional resilience, community support, and cultural continuity. Importantly, success feeds back into SEW, legacy, and cultural identity, reinforcing the motivation to continue the business across generations. This feedback loop further enhances internal resources and strengthens adaptive strategies, creating a self-reinforcing cycle of continuity, resilience, and emotional commitment.



The model thus demonstrates that family business success is not a one-way outcome but a dynamic, circular process embedded in socio-cultural, emotional, and strategic interlinkages.

#### **7.4 Chapter Summary**

This chapter discussed the key findings of the study and proposed a conceptual model of family business success in Assam. The results show that FB are deeply rooted in community and cultural contexts, predominantly led by the Marwari community, with strong multi-generational continuity, traditional sectoral concentration, and family-oriented governance structures. While facing challenges such as gender gaps, workforce shortages, and limited institutional support, FB derive strength from legacy, SEW, and community-cultural values. The study further revealed that SEW, rather than entrepreneurial orientation, plays a central role in shaping strategies and sustaining success by linking family identity, harmony, and long-term survival with business decisions. A comparison with NFB highlighted FB's superior resilience across most factors, especially in employee loyalty, internal financial support, adaptability, and informal crisis coping mechanisms during COVID-19. Integrating these insights, the proposed model emphasizes five interrelated dimensions multi-generational legacy, cultural values, SEW, resources, and adaptive capacity that together explain the unique strengths, resilience, and sustainability of FB in Assam.