

Present Status of Family Businesses in Assam with reference to Socioemotional Wealth Practices and Crisis Management

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CHAPTER-VIII

Conclusions

8.1. Introduction

This chapter synthesizes the key contributions of the study by presenting its theoretical insights, practical implications, and directions for future research. It is structured into three sections. Section 8.1 introduces the chapter. Section 8.2 outlines the conclusions of the study, including its theoretical contributions, practical implications, limitations, and future research opportunities. Section 8.3 provides recommendations derived from the findings to support the growth and resilience of family businesses in Assam.

8.2. Conclusion

This study aimed to examine the current state and resilience factors of family businesses in Assam, while also drawing comparisons with non-family businesses. It provides a comprehensive understanding of how family firms operate, adapt, and sustain themselves during both stable periods and times of crisis, highlighting key differences from non-family enterprises. By exploring the relationships among Entrepreneurial Orientation (EO), business performance, and the mediating role of Socioemotional Wealth (SEW), the study demonstrates that SEW plays a crucial role in translating entrepreneurial initiatives into superior outcomes for family businesses. The conclusions are structured into four sections: theoretical contributions, practical implications, limitations, and directions for future research, collectively advancing both scholarly discourse and practical applications in the field of family business studies.

8.2.1. Theoretical Contributions of the Study

This study makes several significant contributions to the field of FB research.

First, it is one of the earliest studies to systematically identify resilience factors that are specific to FB. First, while prior research (Yilmaz et al., 2024) has examined FBR, this study adds value by providing a structured, empirical comparison of resilience factors between FB and NFB within a regional context. Drawing on primary data from Assam, it offers new insights into how resilience manifests differently across business types, thereby

extending the literature with context-specific evidence. Second, this study bridges the gap between the literature on EO and SEW by incorporating SEW as a moderating variable in the EO – FBS relationship. The findings demonstrate that while EO positively influences FBS, the impact is significantly enhanced when socioemotional priorities are considered. This contribution extends previous research by emphasizing the dual role of financial and non-financial goals in shaping FB outcomes. It also underscores the importance of integrating psychological and emotional factors into mainstream entrepreneurship and business strategy research. Third, the study provides a comprehensive assessment of FB dynamics in Assam, shedding light on critical aspects such as succession planning, community-specific entrepreneurial behaviours, and resilience-building mechanisms. The findings highlight the differences in succession preparedness among various business communities, particularly noting that Marwari FBs exhibit higher levels of structured pre-succession planning compared to Assamese and Bengali community FBs. Additionally, this research uncovers how different communities prioritize resilience factors, contributing to a more nuanced understanding of FB sustainability in a regional context. By documenting these insights, the study serves as a reference point for future research on FB in Assam and similar socio-cultural settings.

8.2.2. Practical Implications of the Study

The findings of this study highlight several important practical implications for FB strategy, offering valuable insights for business owners, policymakers, and researchers. One of the key implications is the **preservation of family legacy**, which emphasizes that entrepreneurial initiatives should be designed in a way that reinforces family continuity and heritage. FB that align their entrepreneurial activities with long-term sustainability and legacy preservation are more likely to thrive across generations. By fostering innovation while staying true to the core values and traditions of the family, businesses can ensure a balance between modernization and heritage. Another important practical implication is the **enhancement of stakeholder relationships** through the effective utilization of SEW. FB that prioritize SEW are better positioned to foster trust, employee loyalty, and strong customer relationships. This approach not only strengthens internal cohesion within the business but also improves external perceptions, leading to long-term sustainable growth. When employees and customers perceive a strong emotional and ethical connection with a FB, they are more likely to remain loyal, contributing to overall business stability and

success. Furthermore, the study underscores the importance of **intergenerational continuity**, which refers to the ability of FB to balance innovation with family values. The long-term survival of a FB depends on its ability to adapt to changing market dynamics while maintaining its core values. By fostering adaptability and renewal, businesses can ensure a seamless transition between generations, allowing younger members to introduce innovation while respecting the established principles and vision of the older generation. A key practical implication derived from this is that family firms should cultivate EO in younger generations while maintaining core family values to ensure long-term sustainability and performance. Encouraging the next generation to adopt an entrepreneurial mindset through exposure to risk-taking, innovation, and proactiveness while anchoring these efforts in the family's emotional and cultural foundations will support the continuity, growth, and resilience of the business across generations.

8.2.3. *Limitations of the Study*

This research acknowledges several limitations that may influence the generalizability and interpretation of the findings:

- i. While the study aims for a representative sample size, there's a possibility that the number of respondents might not be sufficient to capture the entire population of FB and NFB in Assam.
- ii. The chosen sampling method (stratified random sampling) might not entirely eliminate selection bias. There's a chance that certain types of businesses within the targeted strata were less likely to be included in the sample.
- iii. The study employs a cross-sectional design, which captures data at a single point in time. This limits the ability to establish causal relationships between variables. It can only identify associations between business type (family vs. non-family) and resilience factors during COVID-19.
- iv. In objective 2, we utilized an overall measure of the business's perceived performance, evaluated in comparison to its competitors. Future research could expand the study's scope by incorporating economic and financial indicators.
- v. The study focuses on businesses in Assam, India. The findings might not be generalizable to other regions with different economic or cultural contexts.

By acknowledging these limitations, the study encourages a cautious interpretation of the results and emphasizes the need for further research in this area.

8.2.4. *Scope for Future Research*

This study opens new avenues for further research in the domain of FB. Potential areas for future studies include:

- i. *Validation of Resilience Factors:* Conducting Confirmatory Factor Analysis (CFA) and Structural Equation Modelling (SEM) to validate the resilience factors identified.
- ii. *Contextual Studies:* Examining resilience factors in different geographical and cultural contexts to enhance generalizability.
- iii. *Cross-Country Comparisons:* Conducting comparative studies on resilience factors between Indian FB and FB in other economies.
- iv. *Objective Performance Metrics:* Investigating the relationship between EO, SEW, and objective performance indicators such as profitability and growth.
- v. *Sector-Specific Insights:* Examining how resilience factors vary across industries and sectors within the FB domain.
- vi. *Intergenerational Leadership Studies:* Investigating how leadership styles differ between generations and how they influence business continuity and growth.

By addressing these research gaps, future studies can contribute further to the evolving discourse on FBR and sustainability.

8.3. **Recommendations**

Based on the findings of this study, the following recommendations are made to support the growth and resilience of FB in Assam. These recommendations draw from empirical insights while also taking into account the study's limitations, and are intended to guide practitioners, policymakers, and future researchers.

- i. *Aligning Entrepreneurial Orientation with Socioemotional Wealth Goals:* Since the study finds that FB are deeply driven by emotional and legacy-based goals (such as identity, attachment, and reputation), it is important that their entrepreneurial efforts like expanding the business or adopting new technologies also reflect these family values. Doing so will help balance innovation with tradition and reduce potential conflicts between financial goals and emotional priorities.
- ii. *Strengthening SEW as a Strategic Resource:* The findings show that a strong SEW foundation contributes to long-term stability and crisis resilience. Therefore, it is recommended that FB actively strengthen SEW by involving family members in key roles, creating clear governance structures, and ensuring open communication. This will help them stay united and prepared during uncertain times.
- iii. *Encourage Successor Involvement:* As the study highlights a lack of successor involvement in many Assamese FB, it is recommended to bring younger family members into the business early. Giving them leadership roles, mentoring them, and allowing them to bring fresh ideas (such as digital tools or modern practices) will not only prepare them for future leadership but also increase their interest in continuing the family legacy.
- iv. *Develop a Structured Succession Plan:* Since the research found that some communities in Assam FB do not have a proper succession strategy, it is essential to create structured succession plans. These should include mentorship, leadership training, and clear guidelines for handing over responsibilities. Communities like the Marwaris, who are more proactive in planning for succession, can serve as useful examples for others.
- v. *Improve Employee Engagement and Professional Management:* The study shows employee disengagement is prevalent in Assamese and Bengali businesses. To address this, it is suggested that these businesses develop better HR policies, offer fair wages, and invest in staff training. Encouraging employees to participate in decisions similar to practices seen in Nepali and Marwari businesses can also improve loyalty and performance.

- vi. *Modernize Business Models and Adapt to Market Changes:* The findings reveal that many businesses still rely on traditional models, which limits their competitiveness. It is recommended to adopt modern tools such as digital platforms, online marketing, and data-driven strategies. These updates can help FB reach new customers and keep pace with changing markets.
- vii. *Improve Infrastructure Support for Operational Continuity:* Since the study found that many FB in Assam have experienced repeated machine damage due to voltage fluctuations and delayed responses from power supply agencies, it is recommended that the concerned authorities improve the reliability of electrical infrastructure. Timely maintenance, better complaint redressal systems, and the provision of voltage regulation support are essential to safeguard business operations and promote a stable entrepreneurial environment.
- viii. *Simplify Taxation and Ensure Policy Consistency:* The study highlights that FB in Assam face significant regulatory and taxation hurdles, including complex GST compliance, frequent tariff hikes, and high tax rates on handmade products. It is recommended that authorities streamline tax procedures especially for small-scale sectors like handmade soap and ensure greater policy consistency. Providing timely subsidies and reducing raw material taxation will support growth and ease the financial burden on family-run enterprises.