Spotlight
by CeFEO

How do enterprising families foster a legacy of innovation and growth?

Transmitting entrepreneurial values across generations: insights from family businesses

DEMEKE AFEWORK TESSEMA · OLOF BRUNNINGE · JOAQUÍN CESTINO

Published on October 4, 2024 *https://doi.org/10.68623/spotlight.2024.7q3*

Family businesses hold a unique position in the entrepreneurial landscape, blending personal ties with professional ambitions. These enterprises often navigate the complex challenge of ensuring entrepreneurial success across generations. How do they achieve this? By instilling entrepreneurial values that align with family traditions, business goals, and societal expectations. This systematic literature review delves into these dynamics, shedding light on the mechanisms that make entrepreneurial legacies possible.

As family businesses face globalization, technological advancements, and evolving societal norms, the ability to sustain entrepreneurial behaviors becomes even more crucial. This study investigates the mechanisms through which entrepreneurial values are transmitted, providing a foundation for family enterprises to cultivate enduring legacies.

What We Studied

The researchers applied a rigorous systematic review process, adhering to frameworks such as PRISMA and inspired by methodologies outlined by Kraus et al. (2020). The primary goal was to analyze the transmission of entrepreneurial values within family businesses by answering two key questions:

1. **What entrepreneurial values are transmitted across generations?**

2. **How are these values transmitted?**

The study identified relevant articles through the Web of Science database, employing keywords like “family,” “entrepreneurship,” and “values.” After narrowing down 2,318 results to 77 articles, the researchers categorized values and mechanisms using qualitative and quantitative analysis.

KEY INSIGHTS

1. Three Core Categories of Values

Family Values. These values foster unity and trust among family members, influencing personal and professional behaviors. Key values include: Long-term orientation, Empathy, Loyalty.

Family Business Values. These values shape the entrepreneurial strategies and actions within the family business. Examples include: Risk-taking, Opportunity-seeking, Professionalization.

Societal Values. Reflecting broader societal norms, these values bridge family businesses with their communities. They emphasize: Social responsibility, Philanthropy, Community involvement.

2. Eight Mechanisms of Value Transmission

1. **Relational Embeddedness.** Strong family ties facilitate direct and indirect value transmission. Cohesion and solidarity reinforce shared goals and entrepreneurial behaviors.

2. **Vicarious Learning.** Younger generations learn by observing parents and senior family members, noting the rewards and challenges of entrepreneurial activities.

3. **Explicit Communication.** Storytelling, symbolic gestures, and open discussions communicate values intentionally, creating shared meanings and reinforcing family identity.

4. **Imprinting.** Experiences during childhood leave lasting impressions, shaping entrepreneurial attitudes and career aspirations.

5. **Educating.** Structured learning opportunities, such as mentoring, apprenticeships, and formal education,

provide younger members with the skills and knowledge needed to thrive.

6. **Parenting Styles.** Different parenting approaches—authoritative, permissive, or authoritarian—impact the entrepreneurial mindset, fostering autonomy or conformity.

7. **Community-Zeitgeist.** Broader societal norms influence entrepreneurial attitudes, shaping how families adapt their values to external expectations.

8. **Genetics.** Biological inheritance plays a role, with studies indicating that entrepreneurial tendencies may be partially genetic.

TAKEAWAYS

Build Strong Relationships

Encourage cohesion and interaction among family members to establish a shared vision and commitment to entrepreneurial success.

Develop Role Models

Actively involve senior family members in mentoring and role-modeling activities to inspire future generations.

Create Learning Cultures

Integrate formal and informal educational experiences to prepare younger family members for leadership roles.

Embrace Community Engagement

Align family business values with societal norms through philanthropic activities and community-oriented initiatives.

IMPACT

The study offers profound implications for family businesses and policymakers. Understanding how entrepreneurial values are transmitted can guide strategies for succession planning, leadership development, and innovation. Additionally, the research highlights the importance of context—geographical, cultural, and generational—underscoring the need for tailored approaches to value transmission.

Family businesses can draw upon these insights to navigate transitions, adapt to change, and sustain entrepreneurial excellence. Moreover, the findings suggest that while familial bonds are crucial, external networks and societal influences play a complementary role.

RECOMMENDATIONS

1. **Foster Open Communication:** Regular family meetings and storytelling sessions can help clarify and reinforce entrepreneurial values.

2. **Invest in Education:** Offer both formal training and hands-on experiences to prepare successors for leadership.

3. **Engage with Communities:** Build trust and a positive reputation by aligning family business activities with societal values.

4. **Adapt Parenting Styles:** Encourage autonomy and entrepreneurial thinking through supportive parenting approaches.

5. **Leverage Technology:** Use digital tools to document and share family narratives, values, and achievements across generations.

Spotlight by CeFEO, How do enterprising families foster a legacy of innovation and growth? Transmitting entrepreneurial values across generations: insights from family businesses. Downloaded on 6 November 2026 from https://doi.org/10.68623/spotlight.2024.7q3

CEFEO AUTHORS



Olof Brunninge

Associate Professor

Jönköping International Business School

olof.brunninge@ju.se



Joaquín Cestino Castilla

Assistant Professor

Jönköping International Business School

joaquin.cestino@ju.se

PUBLISHED IN



Tessema, D. A., Brunninge, O., & Cestino, J. (2024). Transmission of entrepreneurial values in enterprising families: A systematic literature review. Journal of Family Business Management.

https://doi.org/10.1108/JFBM-06-2024-0132

Spotlight is an online magazine that translates research from the Centre for Family Entrepreneurship and Ownership (CeFEO) at Jönköping International Business School, Jönköping University, into accessible insights for family business owners, practitioners, and policymakers.

Spotlight is supported by the WIFU Foundation. This partnership advances dialogue and education in responsible family entrepreneurship and ownership.