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Managing Ambivalent Emotions in Family Businesses: Governance Mechanisms for the Family, Business, and Ownership Systems

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Abstract: Members of business families experience ambivalent emotions that stem from paradoxical tensions inherent to family business, namely the overlapping of three systems: the family, the firm, and ownership. In this essay, we shed light on how governance mechanisms can frame the different roles a family member can play in the family, business, and ownership systems, making role conflict and the subsequent emotional ambivalence a source of creativity rather than of emotional dissonance. These governance mechanisms may also contribute to reducing risks for interpersonal conflict as well as provide rules for conflict resolution. Building on the typology distinguishing among Enmeshed Family Business (EFB), Balanced Family Business (BFB), and Disengaged Family Business (DFB), we suggest governance mechanisms to support emotion management within each archetype at the individual, family and firm levels.

Keywords: family business, business families, ambivalent emotions, governance, typology

1 Introduction

As inherently hybrid organizations (Albert and Whetten 1985), family businesses are subject to contradictions and dissensions at individual, interpersonal and organizational levels (Gersick et al. 1997; Taguiri and Davis 1992). Successfully

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managing these contradictions influences individual creativity (Fong 2006), family harmony (Ward 2016), and firm longevity (Zellweger 2014). Contrarily, the inability of family firms to recognize family members' psychological contradictions in terms of values, objectives, and motivations may be one of their main vulnerabilities (Schuman, Stutz, and Ward 2010). Indeed, evidence exists that members of business families are subject to particularly powerful paradoxical tensions under the form of cognitively and socially constructed polarities covering conflicting truths (Brundin and Härtel 2014; Brundin and Sharma 2011; Cunha et al. 2021; McAdam, Clinton, and Dibrell 2020). Yet, there is little research dedicated to the dynamics of emotions in the context of family firms (Bee and Neubaum 2014; Bertschi-Michel, Kammerlander, and Strike 2020; Labaki 2020; Labaki, Michael-Tsabari, and Zachary 2013; Morris et al. 2010; Stanley 2010). Moreover, there is a need to better understand mixed emotions in organizational settings through taking a multi-level research perspective (Ashkanasy, Humphrey, and Huy 2017). Family business literature is based upon the fact that family firms differ from non-family firms due to the involvement of the family in ownership and/or management (e.g., Randerson et al. 2015).

The three circles model (Gersick et al. 1997) is often used to explain paradoxes specific to the family business context. Consistent with their terminology, in the present essay “family business” refers to the ensemble of the three overlapping systems. We term “family” or “business family” the family sub-system, “ownership” or “shareholders” the ownership sub-system, and “firm” or “business system” the business sub-system. The overlap of the three systems—family, business, and ownership—implies that family members can have multiple and eventually conflicting roles in the different systems (Brundin and Härtel 2014), leading to emotional ambivalence (Radu-Lefebvre and Randerson 2020). According to Brundin and Sharma (2011), family businesses are characterized by “emotional messiness”, with family members experiencing “contradictory emotions related to an emotionally charged situation or issue involving his/her own and others, multiple hybrid identities and/or the strength of psychological ownership and/or breach of psychological contracts”. Identity clashes and role conflicts are particularly intense in family businesses, for example in the case of female leaders, which at the same time identify themselves as owners, wives and mothers. These multiple identities may sometimes seem incompatible and governed by opposite normative systems, which can trigger enduring goal ambivalence, emotional ambivalence (Fong 2006; Fong and Tiedens 2002; Radu-Lefebvre and Randerson 2020), stress and loyalty conflicts (Efendy, Chang, and Zolin 2021; Foreman and Whetten 2002). Family businesses are prone to identity clashes and role conflicts generating emotional confusion and unspoken expectations, which in some extreme cases may lead to emotional dissonance and burn-out (Brundin and Sharma 2011; Memili et al. 2015).

In order to facilitate an effective achievement of financial and non-financial goals, family businesses must set out governance systems that take into account “the extent and nature of family and business overlap at a time” (Nordqvist, Sharma, and Chirico 2014, 195). Thus, an effective governance system is one that allows to develop processes and structures able to regularly help understand the concerns and needs of different internal and external stakeholders and, in particular, those of the owning family and their members (e.g., Gersick and Feliu 2014; Sharma and Nordqvist 2008; Nordqvist, Sharma, and Chirico 2014). In this sense, governance mechanisms can be essential to adequately manage potential conflicts and emotions arising from the overlap of the family business subsystems (Umans et al. 2020). For example, reflecting on the family and business system’s common ground of values, Family Councils typically facilitate cohesive behaviors and promote a clearer understanding of the family’s and the firm’s reciprocal expectations, thus reducing tensions and risks of disagreement.

Many typologies have been designed in order to better understand the heterogeneity of family firms in general (e.g., Miller and LeBreton Miller 2005), but also more specifically of emotions (through identities, boundaries and behaviors) at the family-business system interface (e.g., Distelberg and Blow 2011; Distelberg and Sorenson 2009; Sundaramurthy and Kreiner 2008; Zody et al. 2006). In the present essay, we build on the typology offered by Labaki, Michael-Tsabari, and Zachary (2013, 324) by suggesting relevant governance needs and style proper to each archetype, as per their call. We extend and refine their work in that we first analyze *separately* the firm and ownership sub-systems, and, secondly, we explicitly (rather than implicitly) accept that families can be “governed”.

2 Emotional Ambivalence: Intrinsic Characteristic of Business Families

According to appraisal theory (Lazarus 1991; Zeelenberg et al. 2008), emotions are momentary subjective experiences arising when individuals evaluate a situation or an outcome perceived as relevant for oneself. In this perspective, emotions are conceptualized as the psychological appraisal of a situation or event, which implies that two individuals exposed to the same event may experience different emotions because of their different understanding of the situation. Emotions play a major role in the life of individuals and organizations as they influence peoples’ decisions and behaviors, as well as business strategy and firm conduct (Rafaeli 2013). Emotions function as signals helping individuals to take rapid decisions in potentially threatening situations (negative emotions) and in potentially favorable contexts (positive emotions). According to the feeling-is-for-doing approach,

emotions are motivational processes (Zeelenberg and Pieters 2007) influencing goal choice (Zeelenberg et al. 2008), and facilitating the individuals' adjustment to situations that may affect their wellbeing (Scherer 2005).

In psychology, affective experiences were traditionally conceptualized with a bipolar approach, people being portrayed as holding either positive OR negative emotions (Brehm and Miron 2006). More recently, empirical evidence in psychology highlighted that it is also possible for individuals to experience mixed emotions, that is ambivalent affective states combining positive and negative emotions, an affective experience labeled as "ambivalent" (Aaker, Drolet, and Griffin 2008; Ocejja and Carrera 2009). Neurobiological findings confirm that negative and positive emotions are activated by distinct brain circuits, with negative affect primarily located in the right hemisphere, and positive affect primarily located in the left hemisphere (Cacioppo et al. 2000). Evidence exists that ambivalent or mixed emotions are particularly prevalent in business families and family firms (Danes et al. 1999). However, in this particular context, the study of emotional ambivalence is still in its infancy (Bee and Neumann 2014; Radu-Lefebvre and Randerson 2020).

Emotional ambivalence increases stress levels, uncertainty and risk perception (Bee and Madrigal 2013), and may trigger a state of indecisiveness and identity conflict (Rothman and Wiesenfeld 2007). In psychology, prior research showed that individuals can manage ambivalence effectively when they are able to identify its source, and when they actively try to understand its underlying significance and implications (Ashforth et al. 2014; Fong and Tiedens 2002; Humphreys, Ucbasaran, and Lockett 2012; Maitlis and Lawrence 2007; Pratt and Doucet 2000). When managed effectively, ambivalent emotions can be useful in helping family business members to consider alternative perspectives and sources of information (Gifford 2002; Hui, Fok, and Bond 2009), therefore enhancing their ability to deal with complex situations (Radu-Lefebvre and Randerson 2020). In Rees et al. terms (2013: 367), "the ambivalent mind can be a wise mind", thus sustaining resilience (Larsen et al. 2003), and leading to creativity (Fong 2006). In other words, when approached appropriately, ambivalent emotions can help business family members to deal with demanding situations.

In her seminal work "The Managed Heart", the sociologist Hochschild (1983) first introduced the concept of emotion management to designate a social psychological process learnt during childhood, and performed in relationship with particular social roles. Emotion management consists in an individual and social confrontation with the prevalent rules and norms attached to different social roles in our societies (Semmer, Messerli, and Tschan 2016). Fundamentally interactive (Bianchi et al. 2016; Theodosius 2006), emotion management comprises two complementary processes through which individuals deal with their inner feelings: emotion work and emotional labor. The first encompasses how people manage their emotions in private settings, while in interaction with family and

friends, whereas the second refers to how people deal with their inner feelings at work, in relation to professional role expectations. Emotion work and emotional labor comprise *emotional requirements* (rules, norms, and values attached to social roles, and related to emotional display with others), *emotional regulation* (the modification of inner feelings or facial and bodily expressions of emotions) and *emotional performance* (the display of emotional expressions congruent with the emotional requirements of the role). Emotional regulation is conducted either through deep acting or through surface acting (Hochschild 1983). Deep acting occurs when individuals think that their inner feelings do not correspond to the emotional requirements of their role, and therefore authentically try to change them, in order to be able to express appropriate emotions. Surface acting occurs when individuals do not try to modify their feelings but only to change their expression of emotions, in order to make it appropriate to what is expected in the situation. The problem is that when people manage their emotions in order to express what is perceived as “acceptable” (Ashforth and Humphrey 1993), there is a risk to generate emotional dissonance, because of the genesis of a potential internal conflict between expressed and experienced emotions (Abraham 1998). As Labaki, Michael-Tsabari, and Zachary (2013) remind us, evidence exists in psychological literature that when emotional dissonance arises, people may try to suppress the emotions they think inappropriate, while expressing unfeeling emotions instead (Grandey and Gabriel 2015), which is the very characteristic of surface acting (Hochschild 1983).

In family businesses, emotional ambivalence pervades each sub-system (family, firm, and ownership). For example, individuals can feel at the same time love and hate (sibling in the family), admiration and rivalry (co-workers in the business), and pride and resentment (shareholders or not in ownership). Emotional ambivalence also occurs from the overlapping of identities stemming from the overlapping systems, related to the various roles that people play in their family (e.g. mother, father, sibling), the roles they play in the family firm (CEO, manager, successor/non-successor), and their role in ownership (financial and/or psychological). We know from emotion management literature that individuals have the ability to regulate not only their emotions but also those of others, with leaders having a major contribution in this context in that they can influence the “emergence, management and consequences” of emotional experience inside their organizations (Kaplan et al. 2014, 563).

In the context of family businesses, governance mechanisms can be useful to clarify rules and expectations relative to each sub-system. Here, the goal is not to stunt emotional ambivalence (even if this could be possible), but to embrace it and to favor its management in a direction that is positive for the individual (encouraging deep acting rather than surface acting), the family and the firm. Indeed, as

emotional ambivalence is *inherent* to the family business and, when properly managed, it may become a source of resilience and creativity, we suggest that governance mechanisms proper to each sub-system could support effective emotion management through the clarification of behavioral rules, expectations and articulations of possible contributions that each family business member may offer. Additionally, governance mechanisms may also contribute to an effective emotion management in family businesses, thus preventing emotional dissonance and tackling ambivalent emotions through explicitly encouraging the expression of authentic emotions. This might foster appropriate conditions for open and honest interpersonal communication, encourage interpersonal support and understanding, and facilitate conflict resolution.

3 Governance Mechanisms as a Means to Manage Ambivalent Emotions

Governance mechanisms proper to each sub-system can help family businesses to deal effectively with emotional ambivalence and role conflict, because they can support a global clarification of the expectations attached to family and business roles, and facilitate the ambidextrous articulation between seemingly conflicting roles, at the individual level. Some of these mechanisms are not governance mechanisms per se, but rather interpersonal and organizational emotion management techniques used as governance devices in family firms. In addition, we align with the emerging research (Gersick and Felieu 2014; Suess 2014), stretching the traditional definition of governance to the family circle, circle in which there are no “owners”.

3.1 Governance Mechanisms for the Family System

Family councils, family assemblies and family protocols are formal family governance mechanisms that can contribute to clarifying role expectations, and thus support managing emotional ambivalence towards a beneficial outcome. For a full review of family governance mechanisms, see Suess (2014).

Family councils are groups of family members that can have a number of responsibilities, which are generally grouped in the following set of objectives: 1) building a mutual understanding of the values and culture of the family, as well as philanthropy and wealth management; 2) instructing family members, in particular about the family business; 3) promoting communication between the direction of the

ownership and firm circles, and the extended family; and 4) building up the family's commitment to the enterprise. Family councils can be all-inclusive, self-appointed, or elected (Gersick and Feliu 2014; Ward and Aronoff 2011).

Family assemblies, also known as family meetings or family forums, are recurring (usually annual) meetings of an extended family that typically include formal meetings enabling family members to communicate about investments and operating companies, via guest speakers and facilitated discussions, and recreational activities. Family assemblies can be very useful, especially when the family firm matures (Neubauer and Lank 2016). They help families build consent about family mission, family values, and purpose, which supports the sustainability of the family business over generations. These shared encounters facilitate the implementation of governance: for example, the choice of directors, trustee-beneficiary relationships, capital retentions, and bring support for investment and distribution policies (Gersick and Feliu 2014).

Family protocols and mission statements are documents designed to communicate values and culture of the family, determine the “rules of engagement”, and clarify the rights and duties for participation in the benefits of future ownership. The term “Family Protocol” was coined by Gallo and Ward (1991) and is generally considered as a synonym of the “Family Constitution” or “Family Agreement”. These formal documents can promote specific outcomes (e.g., fair processes) or impede potential issues (e.g., reputation exposure, destruction of wealth, family separation, legal fees) (Gersick and Feliu 2014). In particular, a Family Protocol is signed and ratified by each family component and results from a process of communication and negotiation about the rules and procedures followed by family members to govern the family business relationships (for a deep analysis of this instrument, see Arteaga and Menéndez-Requejo 2017). Central elements of these documents include the firm history, its future development and vision, the rules for family members' participation into the business, planning of succession, agreements among shareholders, and power in the firm and the family (e.g., the organization of the Board of Directors and the Family Council).

Family offices are bodies created to offer tailored wealth management solutions in an integrated way with the aim of preserving and promoting the values and identity of the family (Benevides et al. 2009; Welsh et al. 2013). They can cover a broad spectrum of service centers, investment management functions, back office operations and other support services for family members. These offices can comprise a single individual, a selection of independent contractors of different professions, or an independent partnership or corporation (Gersick and Feliu 2014). According to Suess (2014), family offices regulate interactions of the owning family (ownership circle), not those of the family.

3.2 Governance Mechanisms for the Ownership System

Daspit et al. (2018) indicate that the ownership of family businesses can vary according to at least six dimensions. These include the number of families or family members involved in ownership, the proportion of family ownership, the dispersion of ownership among families or family members, the relationships among owners, the demographic characteristics of owners, and the nature of involvement of owners in governance bodies. These dimensions often interact. Each dimension, alone or in interaction, can influence behavioral and performance outcomes at the firm and/or family levels. The level of complexity of relationships is thus potentially very high. A very high or very low concentration of family ownership both cause potential problems: the former, agency issues, and the latter, stewardship issues (Miller and Le Breton-Miller 2006).

We present briefly the main governance mechanisms that support role clarity or interactions of the shareholders of the family firm: blockholding, dual stock class systems, shareholder agreements, and shareholder assemblies.

Blockholding, or the concentration of ownership (5% or more) by an individual or by a voting block, is what typically characterizes a family-controlled business (Gersik and Feliu 2014). Family blockholding has the merit of ensuring the control of the firm by a well-identified group of shareholders, and the rights and responsibilities ensuing for shareholding (Villalonga and Amit 2012). On the other hand, family blockholding represents a higher risk of Type 2 agency conflict due to asymmetrical access to information between blockholders and minority shareholders (Ali, Chen, and Radhakrishnan 2007; Villalonga and Amit 2012), members of the owning family or not.

Dual stock class systems refer to situations where one category of shares (extensively traded or, at least, negotiable) represents the majority of the equity of a firm, whereas a second category of shares (closely held within the family or by one generation within the family) controls the voting rights (Gersik and Feliu 2014). Very prevalent in family-owned firms, this governance mechanism dissociates business ownership and control by insuring the concentration of voting rights within the family (Claessens et al. 2002). This contributes to, at the least, transparency of roles and responsibilities and, at the best, family harmony. When family cohesion is low, this can, on the contrary, fuel frustration felt by those members who do not have voting rights.

Shareholder agreements are most often crafted to limit the transfer of voting shares, in order to curb dispersion and to maintain desired balance among family branches. This can be achieved through a set of rights of refusal for tendered shares, and/or indicate the process for valuation in with the intention to mitigate

conflict during transfers within family. Prenuptial agreements can be a specific form of shareholder agreement (Gersik and Feliu 2014). This tool is the most directly geared towards maintaining transparency and balance among family members, maintaining family control and influence on day-to-day operations, as well as protecting the firm's reputation and image (Vardaman and Gondo 2014).

Shareholder assemblies are typically an extension of the firm's annual meeting. They are (or should be) dissociated from family assemblies because relative to a different sub-system, with different members, roles, and origin of legitimacy. A well-crafted shareholder assembly should let shareholders learn about firm performance from business leaders, interact with the board of directors, discuss and ratify overall strategy and financial plans, and appoint family directors. The advantages of such assemblies are the following: they connect geographically dispersed family branches; showcase firm accomplishments to cultivate long-term financial engagement; encourage next-generation members to sit on boards, councils, committees; manifest family commitments to external shareholders and stakeholders; and determine or defend decisions about distributions (Gersik and Feliu 2014). As such, shareholder assemblies are an important mechanism in their own right, serving to inform and involve shareholders. They are also an important practice that compounds the efficiency of the tools previously mentioned (Aguilera et al. 2008).

3.3 Governance Mechanisms for the Business System

A *Board of directors* is considered the most relevant governance bodies for organizations as they guide strategic decisions and behaviors of firms (He and Huang 2011). A large body of literature studied boards of directors to understand how their demographic aspects (i.e., composition) and functioning (i.e., processes) can affect firm performance, and overall increase governance effectiveness both in firms in general (e.g., Forbes and Milliken 2008; Hillman, Nicholson, and Shropshire 2008) and in family firms, in particular (e.g., Bammens, Voordeckers, and Van Gils 2011). The literature typically attributes to boards a service role (e.g., supporting strategic decision making) and a control role (e.g., monitoring the top management) (Forbes and Milliken 2008). In the specific context of family business, the overlap of family and business can call boards to perform additional roles such as avoiding excessive and unproductive generosity that leads to nepotism or fostering the owning family commitment to the business.

Chair/CEO role duality explains the extent of power concentration in the hands of one person (Finkelstein and D'Aveni 1994). This refers to situations when a single family member exerts significant amounts of power in the business, which

can either trigger a great sense of satisfaction, security and enjoyment (when the family is cohesive) or, on the contrary, of frustration, distrusts, jealousy, and disappointment among other family owners (when the family is detached or divided).

The Advisory board is a less formal governance structure, made of advisors who typically support family firm CEOs and advise them. They perform similar activities to that of the board but with a tool that is less restrictive: the advisory board is not disciplined by the law and does not require mandatory periodical meetings or advisors' insurance as instead happens for the board (Gersick and Feliu 2014; Nordqvist, Sharma, and Chirico 2014). This body is generally adopted by smaller and/or younger firms.

A *Top Management Team (TMT)* designates the group of people in charge of managing the firm, responsible for the development of strategies and the implementation of the most relevant actions to achieve them. Usually, when family members are present in the TMT this means that the family is involved in the day-by-day operations of the firm (Nordqvist, Sharma, and Chirico 2014).

4 Archetypes of Family Firms and Suggested Governance Mechanisms

Labaki, Michael-Tsabari, and Zachary (2013) identify three family business archetypes according to the different levels of enmeshment or detachment between the family and business systems, and their emotional characteristics: The Enmeshed Family Business (EFB), the Balanced Family Business (BFB), and the Disengaged Family Business (DFB). In the presentation of their archetypes, Labaki, Michael-Tsabari, and Zachary (2013) only mention governance mechanisms for the BFB archetype, and provide an illustrative vignette of a "family business agreement". The illustrations of the EFB and DFB are firms that ultimately failed – only the example of the BFB was a successfully long-lived family firm. We suggest that governance mechanisms can support positive emotion management in each archetype.

Enmeshed Family Businesses are characterized by very high levels of cohesion, emotional closeness and loyalty, and very low levels of flexibility. These family businesses are enmeshed because the boundaries between the family and the business system are diffused; they tend "to loose differentiation between individuals and systems" (Labaki, Michael-Tsabari, and Zachary 2013, 12); according to Labaki, Michael-Tsabari, and Zachary (2013), these families are usually patriarchal and paternalistic, situation typical to first generation family businesses. Thus, EBFs are

characterized by a high level of emotional ambivalence and the aim of governance mechanisms should here be to introduce emotion work and emotional labor.

In the family system, establishing regular meetings of a Family Council could support clear role differentiation between the three systems, as well as socialize next generation members towards clearer distinction between the family and the firm. Rules relative to the requirements attached to business roles and suggestions of possible and acceptable ways of interacting with family members within the firm (how to address to each other – by name instead by saying ‘mother’ etc.) can also be established during Family Councils, and formalized in Family Constitutions. The Family Constitution or protocol could also introduce neutral rules for interpersonal conflict resolution. An activity in a Family Assembly could have for purpose to encourage open and honest display of both positive and negative emotions.

In the business system, trusted non-family CEOs and/or and non-family managers should be integrated in the business (as CEO, or member of the Advisory Board, Board of Directors, or TMT). This can be pivotal in facilitating professional decision making on business matters, taking advantage of high cohesion and emotional closeness and loyalty while increasing family business flexibility and capacity to think about the future evolutions of the family firm. These non-family CEOs/managers can also help internal owner-managers understand emotional ambivalence and appreciate the importance of emotion work and emotional labor.

In the ownership system, shareholder agreements could support the organization of a rational system of ownership distribution and transfer to make explicit and coherent the expectations attached to the shareholder role. Shareholder assemblies can favor open and unbiased discussions about money, investments and family/firm needs to prevent frustration and mixed emotions.

Balanced Family Businesses are characterized by a “good balance between great closeness and separation, between shared time and separate time” (Labaki, Michael-Tsabari, and Zachary 2013, 13). Decisions are taken together through an independent decision-making process; communication is fluid over the system (Distelberg and Blow 2011), and an effort is made to maintain a balance between family and business (Distelberg and Sorenson 2009). In the BFB, leadership, roles, and responsibilities can be shared. In BFBs, family members are able to identify and pursue their own life goals while still staying connected to the family. According to Dyer (1986), only a few family businesses are able to move from the patriarchal and paternalistic model to this cooperative pattern; we posit that this is due to a lack of governance mechanisms that precisely serve to clarify rules, roles, rights, and responsibilities. Thus, BFBs are characterized by an optimal level of emotional ambivalence. The goal of governance mechanisms would be to maintain and systematize emotion work and emotional labor activities over generations.

In the family system, Family Councils can build on the acquired ability of the family members to manage ambivalence and foster new generations' enjoyment, togetherness and creativity that can favor, in the long term, new venture creation and development. Family Councils can also decide/design activities for the Family Assembly, such as summer camps for next generation individuals to get together and learn what it means to be a family firm member; organize occasions (e.g., games, simulations, workshops) to allow family members to learn (and practice) how to manage their emotions within the family context (i.e., with their close relatives on family relationships), and within the family business (i.e., with external employees, or customers on business matters). Family Assemblies can also foster cohesion and attachment among family owners through democratic and clear processes that favor understanding about family and business expectations, family business future, the use of family and business resources, and power distribution among family owners. Finally, the Family Constitution/protocol can introduce a transparent and competence-based system for entry in the company and selection of successor.

In the business system, the Advisory Board or the Board of Directors can elaborate formal decision-making rules to prevent the installation of unprofessional or non-meritocratic power relationships between family leaders and business leaders. These bodies can also formulate a written process of successor installation in the firm, with milestones and evolution of role distribution between the former and the new leaders. Another example is to elaborate written rules about the role of the different governance bodies in the business subsystem to prevent the installation of unproductive power relationships between the former and the new family business leader.

In the ownership system, shareholder agreements and shareholder assemblies can support ownership transfer either before or in parallel with management transfer to prevent unauthentic (and demotivating) leadership positions for the new family business leaders (who may have the management status but not the effective power provided by ownership transfer).

Disengaged Family Businesses are characterized by erratic leadership, inadequate discipline, unpredictable outcomes, impetuous decisions, and continuous negotiations. They lack role clarity, loyalty to the family, and mutual involvement. According to Labaki, Michael-Tsabari, and Zachary (2013), this is due to rigid boundaries between the family and the business system, each being preoccupied only with its own wants and needs, and the pursuit of personal interest over the firm's benefit. Indeed, ownership is fragmented among many family members who do not share the firm's vision and goals (Dyer 2006; Labaki 2011). This archetype corresponds to the last evolutionary stage, characterized by dispersed ownership, high managerial positions held by non-family members, rigid boundaries between

the family and the business system, very low mutual involvement, and a tendency for independent decision making.

Thus, DFBs are characterized by a low level of emotional ambivalence and a high risk of family disengagement from the firm. The goal of governance mechanisms would be here to increase the level of emotional ownership to strengthen the loose links among family, firm and ownership.

In the family system, the Family Council and Family Assembly can encourage: the emergence and development of the desire to become involved in the Family Business and/or to become the next family firm leader among the members of the next generation; the development of family business members' loyalty to the family; mutual family involvement with communication sharing and sharing of experiences that strengthen the sense of belonging (e.g., recreational activities, formal conventions), and the strengthening of the next generation's involvement in the business subsystem, through increasing knowledge and experience with the firm. The Family Constitution/protocol can support and encourage open communication relative to past family conflicts among same- and different-generations members to excavate silenced emotions and favor mutual trust, along with personal commitment to the firm. Informal family governance mechanisms, such as a next-gen program, can build next-gen's affective commitment to the family firm (Bloemen-Bekx et al. 2019).

In the business system, an appropriate Board structure (involving external capable and trusted professional figures) can facilitate sound leadership and well informed decision-making processes. Moreover, a well-structured Top Management Team (involving external capable and charismatic professional figures) can guarantee discipline in business processes, loyalty of (owner-) managers, and systematic planning tools for business operations.

In the ownership system, Shareholder agreements and Block-holding can help to maintain balance among family branches and limit ownership dispersion. Designing dual class stock systems can reduce the sense of frustration and address different family needs in different ways, as well as differentiate between engaged/committed family owners and less engaged family. Shareholder assemblies can also support the continued involvement of the shareholding branches of the family, to increase attachment and cohesiveness rather than conflict, and to showcase this commitment to external shareholders.

5 Conclusion

In this essay, we propose that although family businesses are a natural breeding ground for emotional ambivalence, negative outcomes such as emotional dissonance and surface/deep acting are not inevitable. More importantly, effective

emotion management can lead to individual well-being, family cohesion, and firm longevity over generations. For each of Labaki, Michael-Tsabari, and Zachary's (2013) archetypes, we offer suggestions of governance mechanisms relative to each of the sub-systems of the family business that aim to clarify roles in each sub-system, articulate role overlap, foster effective emotion management, support knowledge of the business activity, and involvement in the business. We hope that this work will be of use to business families and family businesses as well as spur further research at the intersection of emotions and governance.

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