

CALL FOR PAPERS:

Special issue of *Asia Pacific Journal of Management*

Familial Organizations and International Business: Individual, Organizational and Institutional Variety in and beyond Asia

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INTRODUCTION

Familial organizations are the most popular form of business organizations in the world, including Asia. They include traditional modes of authority based on family, kin, and clan ties. Familial organizations account for more than 80% of non-government business activity world-wide (The Economist, 2015), from start-ups to multinational corporations. Although management and organization theories claim that norms of bureaucratic rationality accompanying globalization (e.g., Meyer, 2010) should lead to the marginalization of familial organization (Chandler, 1977), we have seen these organizations survive and even thrive in many contexts. Indeed, *The Economist* predicts that the share of familial organizations among large multinational firms will increase from 15% to 40% over the next decade, mainly as a result of the rising number of large family firms in Asia.

Twenty years ago Boisot and Child (1996) predicted that clan-like network capitalism would become commonplace in countries like China due to the central role that families play in conducting business. Recently, Fukuyama (2014) introduced the concept of re-patrimonialization that recognizes the capture by elite families of impersonal bureaucratic organizations and government institutions. Indeed, families have created dynasties with profound, lasting influence on international markets and institutional environments. Therefore, in considering Boisot and Child's (1996) contention that clans provide an effective form of organizing in many developing countries and Fukuyama's assertion that familial forces impede the development of impersonal bureaucratic organizations, we ask: *How do familial organizations shape international business across institutional contexts in and beyond Asia?*

Sociologists and anthropologists recognize how characteristics of families, kin, and clans reflect evolutionary outcomes within institutional contexts (Blau, 1964) that must be considered to understand individual, group, and organizational decision-making (Ouchi, 1980). Finance, management, and entrepreneurship scholars recognize the pervasive influence of families, kinship, and clans on economic activity (Anderson & Reeb, 2003; Lu, Au, Peng, & Xu, 2013), but have struggled to develop theories that capture how ancestral and consanguineous systems influence international business.

The IB literature has recently acknowledged the tensions arising when FDI, foreign portfolio investments, and diverse entry modes are portrayed as homogenous and impersonal decisions uninfluenced by familial organizing and authority (Miller, Lee, Chang, & Le Breton-Miller, 2009). Further, behaviors of firms regarding internationalization vary greatly depending on the degree and type of family influence on firms (Banalieva & Eddleston, 2011). Since understanding organizational drivers of international success and failure is at the heart of IB theorizing and empirical investigation (Lu & Beamish, 2004; Peng, 2004), we aim to integrate insights from disciplines that have recognized the complexity of familial organizations so as to advance the study of IB in and beyond the context of Asia. Accordingly, we encourage contributions from sociology, family science, management, IB, and other domains. Manuscripts should analyze familial organizations in Asia and/or compare Asian and other institutional contexts with respect to familial organizations. We welcome conceptual and empirical papers using quantitative, qualitative and mixed-method approaches on any level and across levels of analysis.

TOPICS

From a theory perspective, we envision research focusing on how families, kin, and clans influence IB. We envision contributions that analyze variations within familial organizations as well as those comparing familial organizations with other forms.

1) At the individual and family/kin/clan level of analysis:

National and international differences in the meaning, structure, culture, and hierarchy of family, kin, and clan have developed as they confer advantages over other forms of organizing in a specific institutional context (Lévi-Strauss, 1969). When exposed to business environments, however, how do these distinctive familial organizations shape business behavior with respect to IB? (Vaaler, 2011)

- In which institutional environments are some familial organizations superior to others when internationalizing? Which characteristics of kinship ties, families, and clans facilitate or impede IB across institutional context?
- Immigrants are one of the most important sources of international investment (Gould, 1994). When do immigrants use earnings to invest in their host country versus remitting them to family members in their home country? Does wealth transfer to their home country spur entrepreneurship among family, kin, or clan members? How does migration promote and influence IB activities? Do returnee migrants bolster familial organizations in entrepreneurial deficit countries?
- High net worth individuals, families, and clan members highlight the immense success of familial organizations but point to new means of IB, including family and clan wealth offices, trusts and foundations, holding companies for tax evasion purposes, real estate investments to launder profits from illegal activities, and sovereign wealth funds to steer inherited funds of the monarch bloodline. How do IB activities pursued by familial organizations differ from those offered by more rational financial institutions, bankers, and advisors?

2) At the organizational level of analysis:

Familial organizations are increasingly expanding overseas however, research on the interplay between internationalization and familial organizations is sparse (Pukall & Calabro, 2014).

- How do features of familial organizations affect their motives and strategies regarding internationalization and overseas expansion such as where to invest, which entry mode to use, and with whom to partner?
- When familial organizations expand to geographic markets with different institutional environments, what are the unique challenges they face and how do they adapt their business strategies and practices?
- Does internationalization of familial organizations lead to clashes in cultural/social values, which thereby affects their structure, strategy and performance?

3) At the institutional level of analysis:

Despite the undeniable influence of familial organizations, research employing institutional or cross-national perspectives remains surprisingly scarce (Carney & Gedajlovic, 2002; Deephouse & Jaskiewicz, 2013):

- How do societal institutions shape familial organizations? What are the regulatory, legal, and societal factors that affect how family, kin, and clans organize their IB strategies?
- Familial organizations are not exempt from globalization pressures and hence there is likely a convergence of practices around the globe. As family, kinship groups and clans are deeply rooted in the cultural/social values of institutional environments, are they more resistant to the adoption of new practices brought about by globalization than other types of businesses?
- Which institutional contingencies of home and host countries make familial organizations building blocks of IB in some societies and stumbling blocks in others?
- How do differing levels of economic and institutional development moderate the structure, prevalence, and value of IB activities of familial organizations?

From a methodology perspective we welcome work that considers questions surrounding the measurement of familial organizations and their roles in IB:

- What are the measures of familial organizations that have been used in other disciplines and under which contingencies can they help explain IB?
- What are the critical characteristics of familial organizations that shape IB? How can we measure them among familial organizations within an institutional context and across institutional contexts?
- Which methodological approaches can be used to analyze across levels of analysis how characteristics of familial organizations at the individual, familial, and institutional level influence IB?

We similarly encourage researchers to import from other disciplines and consider new theoretical, methodological and empirical approaches to understanding, measuring, and analyzing the role of family, kin and clan for IB. We anticipate fruitful hybridization in interdisciplinary research that will lead to major theoretical contributions that extend beyond multiple disciplines. These ideas are not exhaustive and other topics within this theme are welcome.

SUBMISSION PROCESS

All manuscripts will be reviewed as a cohort for this special issue. Manuscripts must be submitted before **November 1st, 2016**.

APJM Special Issue Workshop

All authors who are invited to revise and resubmit their manuscripts are expected to present their papers at an APJM Special Issue workshop at Zhejiang University in Hangzhou, China (May 14th-15th, 2017). Concordia University, Zhejiang University and Northeastern University have secured funding to host this Special Issue Workshop. In addition to funded accommodation and meals during the workshop in China, a stipend of \$1,000 US will be given to one author of each team for travel assistance. During the workshop, the special issue editors and APJM editorial board members will provide developmental feedback to paper presentations to enhance the quality and contribution of papers in order to maximize the impact of the SI.

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