STRATEGIC THINKING AND MANAGEMENT FOR A COMPETITIVE ADVANTAGE: THEORETICAL PERSPECTIVES ON FAMILY BUSINESSES

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Abstract: Over the last decade, an increased interest in family businesses strategy has taken place both for practitioners and academics. Even though there has been an enhanced focus in the strategic management literature on family businesses there is a limited evidence of studies dealing with family business that concentrates on the competitiveness of family versus non-family companies, in different dimensions. This leaves a gap in the literature that is found in the area of family business research, in terms of: what kind of strategies do companies employ in order to gain competitiveness, how the competitive strategies are affecting performance and/or how organizational capabilities are derived to influence the performance of one business. The purpose of this paper was to explore the literature written in the field of strategy and to identify which strategies do family businesses practice in order to gain this competitive advantage, and how they apply the selected strategies in the family business sector. In this paper, we have identified several schools of thoughts or perspectives and it is acknowledged that in the past and recent work from the literature on this matter, the concepts of “familiness” and the trans-generational succession process also are the most researched and studied. These concepts are specific factors of the family-owned businesses which allows them to achieve a competitive advantage over non-family owned businesses. Finally, these concepts outline the resource-based view (RBV) theoretical framework as a pillar for the field of family business research since it provides a constructive explanation for the organizational behavior of these firms and also a good foundation for their superior performance.

Key words: management, strategy, competitive advantage, family businesses, resource-based view (RBV).

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