DOI: 10.5897/AJBM11.1486

ISSN 1993-8233 ©2011 Academic Journals

Full Length Research Paper

The family social capital impact in practices of learning, change and innovation in entrepreneurial family businesses

Daniela Meirelles Andrade^{1*}, Juvêncio Braga de Lima², Luiz Marcelo Antonialli¹ and Cristiana Fernandaes de Muylder³

¹University Federal of Lavras, Campus UFLA, Brazil. ²New Horizons School, St.Augustine Campus, Brazil. ³FUMEC University, Brazil.

Accepted 17 October, 2011

Family businesses are found in the economies all over the world; they constitute a significant number of enterprises. Recent studies understand their special features from the perspective of social capital, differentiating the approach usually used in studies in Brazil. Therefore, we add a set of variables that are involved in this type of business, allowing the association of family business theme with the entrepreneurship. This phenomenon involves learning, innovation and change in both aspects of the organizational and social collectivity ambit. Thus, it is argued that the family's social capital present the relationship between the members of a family and those with the community, and influences the practices of innovation, learning and change in the family businesses. This vision configured these companies as entrepreneurs. The objective of this study is to develop a model to understand the social family capital phenomenon dimension, which influences the process of learning, innovation and organizational change in family business. The assumptions were established by the family social capital present in a family business, linking it as an independent variable in relation to learning, change and innovation. Family businesses that develop the family social capital are used to facilitate organizational development characterized as entrepreneurial family businesses.

Key words: Theoretical model, social capital, learning, change, innovation.

INTRODUCTION

Family business (FB) is present in several parts of the world, constituting a very expressive number of enterprises; therefore, they generate employments for a significant number of people (Chrisman et al., 2003; Paiva et al., 2008). FB became a study focus in several fields of study such as Sociology, Economics, Psychology, Anthropology and Administration (Costa, 2007; Eccel et al., 2007; Forges and Hamel, 2000; Macêdo et al., 2004; Petry and Nascimento, 2009). The accomplished studies embraced different approaches. In the field of Administration, the central concern is linked to

the succession process, focusing the company transfer among generations (Borges, 2009; Costa, 2007; Craig and Moores, 2006; Estol and Ferreira, 2006; Grzyboviski, 2007; Macêdo et al., 2004; Petry and Nascimento, 2009; Silva-Júnior and Muniz, 2006; Tillman and Grzyboviski, 2005).

In the meta-study accomplished by Paiva et al. (2008), it was demonstrated that in the Brazilian academy ambit, the field of studies on family businesses is not well developed. The researches are focused mainly on qualitative case studies, in which the predominant theme is the process of succession and their many ramifications. Among them are highlighted gender and succession (Grzyboviski et al., 2002; Machado et al., 2008), power and succession (Silva and Muniz, 2006),

^{*}Corresponding author. E-mail: danimeirellesandrade@hotmail.com. Tel: (35) 38210756.

culture and process of succession (Erden and Baser, 2010; Macêdo, 2002), change and succession (Oliveira et al., 2009), financial analysis and generations (Oro et al., 2009), and learning and succession (Grzyboviski, 2007). On the other hand, there is a trend of studies on family businesses involving other fields in the national and international ambit, with issues related to organizational change (Lightfoot and Fournier, 2000; Pinto and Souza, 2009), change and innovation (Castro and Basques, 2006; Mcadam et al., 2010), financial analysis (Guerreiro et al., 2006), monitoring mechanisms (Gomes et al., 2008) and learning (Dess et al., 2003; Ensley and Pearson, 2005; Ramos, Hellal, 2010; Rodsutti and Makayathorn, 2005).

Recent studies seek to understand the peculiarities of family businesses from the perspective of social capital (SC) (Chrisman et al., 2003; Dess et al., 2003; Hoffman et al., 2006; Sorenson and Bierman, 2009; Sorenson et al., 2009). This approach differs from the approach which is usually used in studies of family businesses in Brazil, by seeking to add a set of variables that are involved in the explanation of the functioning of this type of business.

This paper was aimed to add some themes present in the research accomplished in Brazil with the focus of SC. The set of variables included in the family social capital (FSC) allows the association of the family business theme with entrepreneurship. These phenomena involve the aspects of learning, innovation and change both in the organizational and social collectivity. Thus, it was argued that the FSC, present in the relationship between the members of a family and community, influences the practices of innovation, learning and change in BF. The combination of these elements in family businesses configures the expression of these businesses as entrepreneurial family businesses.

The present paper has an objective, through a theoretical reflection, to develop an analysis model to understand the FSC phenomenon dimension, which has a positive effect on the processes of learning, innovation and organizational change in family businesses representing their interactions.

This paper is structured as follows: First, the introduction is presented where the arguments and the study objectives are established. This is followed by developing the theoretical model, based on the concept of SC that is based on FSC. Hypotheses are formulated in the perspectives that FSC influences the learning, the change and the innovation in family businesses. The study presents the relationship between the SC and the family businesses. Finally, the family business is considered as entrepreneurial, after which the final considerations are presented.

THE FAMILY SOCIAL CAPITAL IN FAMILY BUSINESS: AN ANALYSIS MODEL

The CS theory is the basis for understanding family social

capital (FSC). In the field of Administration, the SC notion is linked to the organizations' efficiency that develops it, with intangible characteristics present in the internal relationships of organizations' members, because it is an intangible capital present amid the relationships (Arrègle et al., 2002; Burt, 1992; Granovetter, 1973).

The SC notion on one side is seen as a present collective resource in the community and in the society (Putnam, 2007) and, on the other, it is seen as the active individual notion, as presented by Bourdieu (2009). The SC notion is used to identify the existent resources in the relationships among people (Hoffman et al., 2006).

SC shows different forms through strong bows (Granovetter, 1973), which are difficult to penetrate; however, family, religion and community examples can be mentioned. In spite of promoting certain penetration difficulty, they increase the transaction easiness in the market by generating reliability.

SC also occurs in markets where there is a strong trust bond among the actors that create a complementarily feeling, in the sense that if certain company does not produce or work with certain product, it will exist in the net of other companies that will make it (Arrègle et al., 2002; Coleman, 1988; Granovetter, 1973).

Four factors influence the SC development (Arrègle et al., 2002; Arrègle et al., 2007): (i) Stability - what happens with the time, generating the good will accumulation, as Bourdieu (2009) mentions, besides trust and co-operation norms; (ii) interaction - they are the relationships among people along the time; (iii) interdependence among the net members and (iv) embededness or rooting - that are the strong contacts among several actors, which must consequently follow a behavioral norm. SC is not finite and neither erodes (Bourdieu, 2009). It is a symbolic coin that can be used by the individuals when necessary, to the extent that they also co-operate.

SC is the base to discuss FCS, which originated from the family ambit, starting from the established relationships among the founder, the family, the community, the customers and the collaborators, by creating a family network according to Arrègle et al. (2002, 2007), Hoffman et al. (2006), Lima et al. (2005) and Soreson and Bierman (2009). As such, it is a sustainable competitive advantage for the family business.

Lima et al. (2005) argued that the difference in the succession process occurs due to the SC present among the family members. Borges et al. (2008) also positioned and affirmed it, the family capital in the studied case generated trust and co-operation among brothers during the succession process. Lima (2010) expanded the vision of SC, which does not just favor the succession process, but the organizational performance as a whole, being able to generate innovations and competitive advantages for the family nets formation. Andrade et al. (2010) identified seven factors related to FSC formed by SC and human beings.

For Hoffman et al. (2006), family capital consists of the

personal relationships that the family members develop to each other and with the community, the customers and the collaborators through a family interaction history. FSC creates value by developing connections among the individuals, through relationship networks, which are developed and fortified as time passes. The trust, moral structure, family norms, information channels, dialogue and the family point of view are elements that facilitate or hinder the development of family network to the extent of what happened or not in the family ambit.

The collective trust is developed and noticed by the relationships among the family members, because they feel the pleasure to work, both by the company and by the family, because both work for them (members) (Hoffman et al., 2006). The trust mechanism development generates co-operation and collaboration (Sorenson et al., 2009), which is used to facilitate problems resolution. Trust is a quality capable of enhancing the organizational activity. Soreson and Bierman (2009) affirmed that the positive relations among the members of a family generate strong trust bonds (Granovetter, 1973), which can promote co-operation, being a FSC source for the company. On the other hand, negative feelings and conflicts can disturb the development of capital by committing to the organizational functioning.

The moral structure (Hoffman et al., 2006), moral infrastructure (Soreson and Bierman, 2009) and family sense (Ensly and Pearson, 2005) represent the relationship between family members and the community.

The family norms are instrument used to facilitate the family business social control (Hoffman et al., 2006). It is rooted in the family culture of those norms group which can be explicit or tacit, and present the obligations and expectations of each member of the family. The family net is formed by a group of people with a kinship degree, which join themselves by identification with a common past (Trevinyo-Rodrigues and Bontis, 2010). The strong bonds present among family members network facilitates trust and it becomes the possible knowledge transfer inside the family network and its absence commits it. The reputation and respectability are present in the family norms and they represent the members' relative expectation outside the net in relation to the company future conduct. Both the reputation and respectability are elements that make possible the transaction of costs reduction, to the extent that the opportunism among the relationships tends to decrease in function of the trust degree and respectability developed among several nets actors.

The information channels occur from two polarities, which are the internal channels and the external ones (Hoffman et al., 2006). The interns link with the internally existent dialogue in the family, which can be identified by tours with the family members and the family relationship network. The external channels constitute the family business with the external atmosphere relationship, which are evidence of the family members' participation

in external organizations. The two mechanisms in interaction generate a relationship network which fortifies FCS.

The collaborative dialogue is a mechanism used in the resolution of problems through communication, because it looks for a common understanding on certain subject or object (Sorenson et al., 2009). The dialogue does not necessarily involve an immediate decision, but a reflection and/or explanation of a certain group own beliefs, which can result in a new beliefs shared through dialogue. In the family business, the collaborative dialogue aims to gain the deeply held beliefs, understanding and clarification, which influence daily decisions (Sorenson et al., 2009).

The family's point of view is similar to the moral point of view (Sorenson et al., 2009) and it is related to a normative ethics. The family's point of view is developed by collaborative dialogue by awakening and provoking the moral perception.

To build or sustain the CSF, the families create strategies, such as regular meetings, advice formations, collaboration documents, which formalize the family beliefs and values (Sorenson and Bierman, 2009). These elements help to sustain collective trust. The family with a FSC stock can apply them in businesses, in addition to function as an initiative for the opening of new enterprises. This FSC vigor evidences set allows the proposition of the object theoretical model in this study (Figure 1).

The FSC development provided to the members that lead the businesses to an alternative deal with learning and innovation practices, which are influenced by changes that occurred in the internal or external context of the organization. The FSC strong bonds promote competitive advantage for FB, to the extent that it developed a difficult competence of being copied; therefore, it occurs in the trust and reciprocity relationships among people facilitating the succession process. On the other hand, the fragile FSC bonds generate trust and reciprocity is lacking among the family members, committing the FB sustainability as well as the innovating, changing, and learning capacity. Thus, the H₁ hypothesis is proposed.

 H_1 : Family social capital higher accumulation positively influences learning, change and organizational innovation practices development in family business.

SOCIAL CAPITAL AND LEARNING

The learning foundation relates with SC foundations. The companies association in networks generates mutual benefits which did not exist before. It is the creation of a new activeness in the knowledge field, which creates internal spaces for the collective interaction among members of a given organization. The imponderable

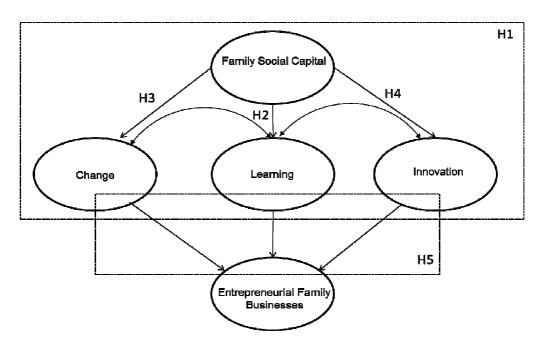


Figure. 1 The family social capital impact in practices of learning, change and innovation in entrepreneurial family businesses. Source: Elaborated by the authors.

result configures the SC increase which is replenished.

The knowledge transfer model proposed by Trevinyo-Rodrigues and Tapies (2006) and Trevinyo-Rodrigues and Bontis (2010) focused on the succession process of the internal and external family members' relationships, involving relative subjects to the kinship bonds and to emotions. Tran and Jones (2008), based on organizational culture, exposed a learning model to explore their impacts on innovation programs. These authors argue that learning internally and externally influenced the organization, which may also influence the innovation process. Hansen et al. (1999) focused on knowledge transfer in the organizations, valuing the intellectual assets. These conceptions are consistent with the intellectual capital approach either for the collaborative dialogue perspective, or for the internal and external information channel, as well as the moral sense (Sorenson et al., 2009).

Dess et al. (2003) argue that is through knowledge that the organizations innovate. These authors use the "acquired learning" concept, based on general knowledge already in existence, which is easy of being imitated and the "experimental learning" as a unique and rare knowledge, difficult to be imitated, which creates competitive advantage for the organizations.

Kenny (2006) developed a theoretical model to discuss the strategic change starting from learning, using a similar line to Dess et al. (2003), Buckler (1996) and Birdthistle (2008), classify the behaviorist (formal knowledge transfer) and the constructivist (based on the experience) learning. This author says that, in rational/deliberated environments, the certainty and the

behaviorist learning and unique circuit are applied in an appropriate way (Argyris and Schon, 1978); in emergent environments constant adaptation need exists, because the reality is built socially. In this case, the constructive learning or those in double circuit would be more appropriate.

Organizational learning is a competitive advantage source, in addition to propelling the organizational prosperity that through it, innovation can happen. Family businesses are inserted in a society based on the knowledge of what generates constant change periods.

Learning for Polanyi (1973), occurs in the individual being called tacit knowledge (for the experience), and remains with him until the moment when it is shared with other individuals. The tacit knowledge transformation in explicit occurs through documents elaboration for some code type.

Learning happens not only in people's mind, but also in social relationships among the individuals engaged in a practice, through which they exchange experiences, knowledge and meanings (Garavan, 1997; Ortenblad, 2001; Souza-Silva and Schommer, 2008). This occurs in different fields, such as: individual learning in the process system, culture, knowledge management, continuous development, in creativity and innovation. For that to occur in the organizational learning, it is necessary that the same happens in the individual ambit. Nonaka and Takeuchi (1997) developed a knowledge conversation model. In agreement with the model, new knowledge is created starting from sharing, in other words, social interaction between the tacit knowledge and the explicit knowledge is already in existence in the organization.

What determines success in an organization is its capacity to transform the existent knowledge on the level of ideas in applied knowledge production and/or to the market (Birdthistle, 2008; Buckler, 1996; Dess et al., 2003; Kenny, 2006). The company not only generates new knowledge, but also organizes the knowledge that it already has and makes them applicable (Kogut and Zander, 1992).

Learning in the family business occurs for the leaders' presence capable to develop a learning culture based on the family moral infrastructure sustained by FSC accumulation. The leaders are the founder or the successor's children, who develop actions addressed to the learning process to adapt to the changes that occurred in the internal and external environment, presented as product innovations in process / productions / services.

The organizational learning process in family business is not fully developed and it presents a tendency for succession learning (Grzyboviski, 2007; Lima et al., 2005). For Gryzboviski (2007), learning that is verified along generations is denominated by transgenerational learning. On the other hand, learning question itself is presented in a superficial way with the family business adequate need remain competitive and, at the same time, look for some innovation type (Forges and Hamel, 2000; Grzyboviski et al., 2002; Oliveira et al., 2009).

Ramos and Helal (2010) developed a work with the objective of verifying how the knowledge transfer in family businesses occurs through personalization model application and coding developed by Hansen et al. (1999). Emmendoerfer and Helal (2008) looked for ways to understand and to analyze the ideas of generation process and family businesses new products creation, in a study that addresses both subjects linked with learning the relationship between innovation and change.

There is a polarization among the several authors that classified learning. Birdthistle (2009) studied the small and medium-sized family businesses, seeking to identify the same potential for being classified as learning organizations. For that, the "formal learning" notion was used, which defined by a curricular structure with specific objectives which can be acquired in classes, seminars and lectures. The other would be the "informal learning", that occurs naturally without the individual been aware. It is characterized as incidental without formation goal, in other words, the person learns unknowingly.

Learning in family business occurs by experience or it is acquired through courses, lectures, books and magazines. It is seen as a competitive advantage source and propeller for the organizational activity. In that sense, the family businesses that develop abilities to learn will present a difference in relation to the others, since the organization develops internal means to work with the endogenous and exogenous changes becomes capable to innovate the FSC process catalyst.

Consequently, learning is a category that refers to a "taught and discovered" process for Buckler (1996); it is

"acquired and experimental" for Dess et al. (2003); "formal and informal" for Birdthistle (2008); "codified and personalized" for Hansen et al. (1999) and "behaviorist and constructive" for Kenny (2006). The individuals who lead the family business may develop organizational learning. Learning is classified as having taught or acquired, or codified, which is transmitted from one generation to another (Grzyboviski, 2007), through books and rules, and where a master and several learners exist. It is also considered as experimental discovery personalized, which the individual is a transformer agent and capable to build his learning. Those evidences indicate that SC held by families leads to organizational learning:

H₂: In family companies, the social capital accumulation generates influence on the capacity and the easiness to develop organizational learning.

SOCIAL CAPITAL AND CHANGE IN FAMILY BUSINESSES

The change in FB is the study's interest target for most knowledge areas. It may be sporadic or continuous with small or big modifications. Finally, it is a phenomenon that is multifaceted. Organizational change comprises environmental complexity administration and the behavioral and cultural contingencies selection for a better adaptation. As the environment changes, the organization also changes the cultural and internal behavioral contingencies in order to better adapt to it.

The companies' action on networks produces new knowledge and practices. An inevitable effect in the organizations results from the interaction on networks. The collaborative dialogue is important element in SC configuration presents a result of the interaction among the companies, which introduce new beliefs. However, the change lived by organizational leaders, both internal and external environment are better worked by family businesses that develop FSC.

The change cannot be avoided or unknown by the organizations, that is, she is ingrained and the whole organizational life (Paper and Simon, 2005). For Morgan (2009), change can occur starting from three different logics, considered as different change images, each one is capable of supplying an explanation of how the organizational reality can be embedded in the change logic. The first is based on some discoveries in biology and aims at explaining how organizations can be understood as systems that are self-reproduce as designed by Maturana and Varela (1980); The second logic relates to ideas from cybernetics (Maruyama, 1963) and is hidden by tensions and trends found in circular relationships. The third logic suggests that change is the dialectical relationships problem among opposites. Each one provides a way to explain how the organizational reality is understood, formed and transformed by

underlying processes with its private logic.

The theme "change" in family businesses permeates the succession process (Tillman and Grzyboviski, 2005) to the extent that, during the organizations live cycles, the family businesses need to adapt to creating new market possibilities in external environments function (Gomes et al., 2008; Kenny, 2006; Mcadam and Mitchell, 2010) and internal environment (Forges and Hamel, 2000; Oliveira et al., 2009). On the other hand, it is necessary to change the family patterns (Aldrich and Cliff, 2003) associating them to an entrepreneurial vision, which adds value, and competitive advantage for the company that owns it.

Castro and Basques (2006) discussed the change process in family businesses and named the change as exogenous and endogenous. The endogenous change is related with the organization internal environment and involves changes in the formal structure, in the hierarchy, the creation and/or in the functions extinction; the exogenous is linked to the external environment, to the extent that competitors' new technologies and actions appear (Porter, 1992).

Rodsutti and Makayathorn (2005) identified some elements that can influence the process both positively and negatively. Among them are the communication and the family generation that is ahead of the business, property, family structure, as well as the politics of a national culture.

Consequently, the change is a category that refers to an endogenous or exogenous transformation. The endogenous change is linked to the internal modifications as the market amplification needs increase in the number of owners' interest function or a new leader's entrance. The exogenous change relates to the transformations in the company generated by an external demand for products that are ecologically correct and socially sustainable. Stability can be generated by the transformations set in a FB, it is argued that these process overcoming depends on the present FSC degree. SC in its essence depends on the internal and external relationships that the family members maintain. Thus, it is presented the hypothesis H₃:

 H_3 : The family social capital generates and influences the capacity to promote and face changes in family businesses.

SOCIAL CAPITAL AND INNOVATION IN FAMILY BUSINESSES

The speech about innovation is wide. Birdthistle (2008) argues that innovation is not linked to new technologies adoption (Panuwatwanich et al., 2009), but that knowledge innovation exists. The organizational learning is elementary for the problems solution. The companies' problems in a given market are linked to the competitiveness generated by the interaction among the

companies. The same united action before technological challenges or markets represents SC accumulation and development. This may be an innovation for a company observed separately, but the interaction among companies aiming to have an increase in competitiveness represents an innovation resultant with the SC accumulation.

In the model developed by Panuwatwanich et al. (2009), they sought to demonstrate how the innovation diffusion occurs in the organizations in the sense of generating and acting for the company. The authors enlarge the innovation concept, arguing that the same occurred when they grow or they implement new ideas, products or processes, which generate larger acting and organizational efficiency. McAdam and Mitchell (2010) agree with the authors, by presenting some innovation indicators like: innovation in marketing, in technology, and in people.

Dess et al. (2003) discuss the innovation starting from the concept of "new knowledge", which are understood as the new practice institutionalization. The new generated knowledge is denominated "technician" when improves current products and the "integrative" when it creates something new.

The innovation backs to an attitude change to solve problems or to obtain innovative results (Cabral et al., 2008). It is a new way to accomplish certain process or a different action that will generate value in the managerial chain, through new knowledge and improve solutions for certain problem (Bontempo, 2008; Mello et al., 2008; Souza and Castro-Lucas, 2008). It is the process for the entrepreneurial part and a requirement for the entrepreneurial mentality (Bontempo, 2008).

The innovation is the product implementation (well or service) of new or significantly improved process, a new marketing method, a new organizational method in business practices, besides the organization place of work and the company external relationships (Oslo Manual, 2004; Schumpeter, 1985). The main companies' innovative characteristics were summarized by Pettigrew et al. (2003):

- 1. The responsibility of radical decentralization by results for the operational units.
- 2. The reduction in the hierarchical levels of number.
- 3. Corporate staff reduction in the paper; the top management starts to concentrate on creating and disseminating knowledge.
- 4. "Commanding and controlling" change in management style for "facilitating and authorizing".
- 5. Internal communication sophisticated systems (formal and informal, horizontal and vertical).
- 6. Ad hoc extensive groups (interdivisional and interfunctional) focused on task forces, instead of departmentalized and rigid organizational structures.
- 7. Internal human resources deliberate use for knowledge dissemination.

The discussion about innovation in family businesses goes by the inter-entrepreneur successor's presence capable to promote organizational innovation (Lima et al., 2005) by the entrepreneurial action virtue (Cramer, 2002) that allows to learn and consequently, generate an innovative product/process/service (Lima, 2010).

The innovation in family businesses is the family's command result in the generation of new ideas, which result in different products (Emmendoerfer and Helal, 2008), based on the nature of organizational and constitutional way, as well as the rooted culture in the organizational leaders' profile.

Ramos and Helal (2010) used the Emmendoerfer and Helalmodel model (2008) and Hansen et al. (2007) model for the purpose of studying how the knowledge is generated and transformed innovation in a FB, breaking the myth that organizations are traditional and contrary to the new ones. The innovation was characterized by the actions of the organizational leaders (Forges and Hamel, 2000) in relation to the succession process and the successor's arrival as possibilities to modify "old patterns" (Leone and Leone, 2006; Lima et al., 2005), besides, the inter-entrepreneur's presence as the innovation propeller (Borges, 2009; Robichaud, 2000).

Bartlett (2009) demonstrates that SC influences the innovation processes, in the sense that, once identified in a given community's needs amid the developed relationships, the organizations will know the innovation.

There are several aspects that influences the innovation process in family businesses among them are; the culture for the innovation, the favorable leaders' presence to the process, and safe collaborators in relation to the possibility of demonstrating their creative potential (Tran and Jones, 2008; Van Der Sluis, 2004). The companies that develop these aspects are known by entrepreneurial family businesses.

Lethbridge (1997) presents a FB nominated profile for traditional family businesses, which are linked to protectionism characteristics, that is why they do not present means of innovation. For the author, the innovation is linked to break the dominant patterns, however, a direct relationship does not exist between innovation and FB; in other words, it is a fact that the company is not familiar with innovation.

In Petry and Nascimento's (2009) vision, the difference between to innovate and not to innovate is linked to the size of the organization. As a result, these authors classified the small and mid-sized family businesses as traditional and the big as innovative. For Ramos and Helal (2010), the family businesses contribute to the technology administration development, to the extent that they develop a favorable environment to the innovation, creativity and the tacit knowledge sharing.

The innovation in family business is a consequence of an organization that possesses a learning dynamics instituted by the FSC bonds present in the relationships among the family's members. The family businesses innovated is flexible to adapt the occurred transformations, both endogenous and exogenous to the organization, once the family businesses with FSC stock have a larger easiness to develop it. Thus, as expressed in the following hypothesis, it is affirmed that SC of a FB affects the innovation capacity positively.

 H_4 : The family social capital generates influence on FB innovation capacity.

SOCIAL CAPITAL AND ENTREPRENEURIAL FAMILY BUSINESSES CONFIGURATION

CS is a wide category referring to the "collective" and the "social". The families inserted in a given collectivity develop SC considered as FSC. In the family entrepreneurs' case, this FSC accumulation capacity refers to its internal and external relationships dynamics among family members and the community inserted in their managerial contexts. When the family members are observed interacting in the company ambit, SC can be learned in certain family agents' relationships, predecessors and successors in their interactions. In Borges' perspective (2009) and Borges and Lima (2009), aspects as acceptability, credibility and trust becomes central to mark the succession process in family businesses, such succession processes analysis categories in family companies, developed by Bayad and Barbot (2002) are incorporated with the FSC perspective developed by Arrègle et al. (2007).

The families that accumulate FSC would have better conditions to insert in a business environment. This SC reproduction would depend on the way future successors inserted in the companies, so that the competitive vigor along time would configure the entrepreneurial family businesses constitution (Lima et al., 2005). Therefore, entrepreneurial family companies would have large sustainability for the high FSC maintenance. This traffic in a given collectivity marked by those companies' permanence can be equally verified by the enterprising succession processes configuration (Borges, 2009), that is, verified by the fact that family business successors develop inter-entrepreneur actions (Cramer, 2002) marked by innovations, creation of value, competitiveness and growth promotion.

However, it is verified that the organization sustainability can depend on training and competence acquisitions (Bayad et al., 2006). Companies can benefit of innovative contexts, however, there is no independence among internal and external processes because not only the context, but internally to the company or organization created space for competence formation practices. That competence acquisition constitutes a wide learning and organizational individual process that in the case of entrepreneurial family companies, they present an easiness to learn amid the relationships between their

members and the community, as well as through a codified knowledge in the collaborative dialogue, besides the formalized rules that compose the FB moral infrastructure.

At the same time, the competence formations practice allows innovative practices (Laviolette and Loue, 2006). Successor's children in family business, both in big and small companies act in an innovative way or creating new businesses, configure the inter-entrepreneurship phenomenon, which are practices that lead to innovation (Antoncic and Hisrich, 2001).

The family businesses sustainability in given social and economical context, associated to SC, would depend on the succession process constitution marked by the innovation. They would be the successors' enterprising actions that would mark this denominated process of "enterprising succession". The organizational change processes involving innovations and learning characterizes such actions. Thus, the successors' direction actions differentiated formation processes from the patrimonial and managerial transmission process conduction, the founder or predecessor's role start to constitute different options for enterprising actions by the these companies possibilities, impulse interentrepreneurship phenomenon was observed there. These would be entrepreneurial family businesses.

Entrepreneurial FB is led by leaders with abilities to develop enterprising actions which link with the organizational flexibility, and is reflected in a capacity to react to changes through learning practices which will provide different innovation types. The family leaders develop the ability to notice the speed and the need of change, in order to acquire internal competences capable of learning and generating innovation, to adapt to the environmental changes leading to the enterprising succession.

The families with easiness in apprehending knowledge, practices and processes present a competitive difference in relation to the others, because they are linked to favorable characteristics to innovation which are: horizontalized structure, fluid and fast communication, work flexible schedules and low organizational formality (Emmendoerfer and Helal, 2008), means to adjust the growth opportunities and the setbacks quickly and teamwork (Gersick et al., 1997). On the other hand, the traditional family businesses are impregnated in characteristics that hinder the innovation process which are: bureaucracy and hierarchy excess, existent values preservation, formalization (Gersick et al., 1997), creativity lack, market detection and prevision lack (Assink, 2006).

The sustainability therefore is inter-entrepreneur leaders' action resultant with easiness to adapt to changes demanded by the internal and external environment in a constant learning process. It is verified that an inter-entrepreneur leaders' innovate process result which commit with innovation. The exposed evidences set

reveal that the entrepreneurial family businesses construction is associated with their leaders' enterprising action strength. This entrepreneurial action is marked by organizational learning, change and innovation phenomena, which are associated with the manifested FC in family businesses. Thus, consistent with the model proposal, before the discussion about learning, innovation and change themes, it is argued that FSC is associated positively with learning, innovation and change is positively associated with the entrepreneurial family's constitution, as exposed in the hypothesis below.

H₅: Social capital influence with the ability to learn, deal with internal and external changes, and produce innovations inside organizations leads to the entrepreneurial family businesses formation.

FINAL CONSIDERATIONS/CONCLUSION

In this article, an analysis model was exposed to study family business. The model's focus is on the role played by FSC in the sustainability of family businesses. The sustainability depends on the company renewal along time, and that depends on the innovation dynamism in those companies, its organizational and transgenerational learning capacity, as well as the capacity to promote changes and to face them is the condition for the entrepreneurial family businesses formation.

The SC in different dimensions can be considered FSC when it is analyzed in family businesses. Aspects as trust, moral structure, family norms, information channels, collaborative dialogue and the family point of view are dimensions that can be evaluated in a FB when the focus is FSC. Such categories are positively associated with a family SC volume. The model evidences on how these dimensions in its whole are associated with FB strength in significant aspects. However, organizational learning phenomena, change and innovation in the organizations are dimensions set to study family businesses, both in the national and international literature ambit. The proposed model involves these dimensions that are associated with one another, seeking the hypotheses set on the formation of the SC's role to enlarge learning, innovation and change capacity in family businesses. In other words, this is in agreement with the initial argument that family businesses with SC, in a larger volume, intensely invigorate organizational learning, innovation implantation, and organizational changes promotion and acceptance capacity.

The model assumes that learning, innovation and change dimensions which are intensified by FSC lead to entrepreneurial family businesses' configuration. The present dynamism in the manifestation of these characteristics reveals conditions for the interentrepreneurship family businesses phenomenon expression.

To propose this model, we sought to associate dimensions that are still not articulated to one another, both in national and international literature. However, a trial was made to create conditions to evaluate the SC operationalizing the concept capturing it under the families' optics, and considering it as FSC. Articulating this concept with a specific organization type, the family businesses sought the primary conditions that would enable those organizations to promote intergenerational sustainability. Therefore, the model offers an alternative to the social capital phenomenon approach in empiric researches, establishing its interactions with important organization dimensions in an integrated way. It is expected to test the model in field research, which will allow it to identify the major impact it has on FSC dimensions, testing them in relation to its influences on learning, innovation and change practices in the family businesses.

REFERENCES

- Aldrich HE, Cliff JE (2003). The pervasive effects of family on entrepreneurship: toward a family embeddedness perspective. J. Bus. Vent., 573-596.
- Andrade DM, Lima JB, Antonialli LM, Leite-Filho GA (2010). Study of factor that determine the formation of family capital in family businesses in the southern region of Minas Gerais. Seminars in Management. São Paulo, Brasil.
- Antoncic B, Hisrich R (2001). Intrapreneurship: construct refinement and cross-cultural validation. J. Bus. Vent., 16: 495-527.
- Argyris C, Schon DA (1978). Organizational learning: a theory of action perspective. Reading: Addison-Wesley.
- Arrègle J, Hitt MA, Sirmon DG, Very P (2007, jan). The Development of Organizational Social Capital: Attributes of Family Firm. J. Manage. Stud., 44(1): 73-95.
- Arrègle J, Very P, Raytcheva S (2002). Social capital and family firms avantagaes: proprosition of an integrated model. International Conference of the International Association of Strategic Management. Paris.
- Assink M (2006). Inhibitors of disruptive innovation capability: a conceptual model. Eur. J. Innov. Manage., 9: 215-233.
- Bartlett D (2009). Embedding corporate responsibility: the development of a transformational model of organizational innovation. Corp. Gov., 9: 409-420.
- Bayad M, Barbot MC (2002). A proposed model of succession in family SMEs: A case study exploratory father-daughter relationship. Montréal. Franca: Association Internationale de Recheche sur PME.
- Bayad M, Bougattas Y, Schimitt C (2006). The job of the entrepreneur: the process of acquiring skills. Firbourg: AIREPME.
- Birdthistle N (2008). Family SMEs in Ireland as learning organizations. Learn. Org., 15: 421-436.
- Bontempo PC (2008). Social entrepreuneurship and innovation catalytic. EGEPE. São Paulo, São Paulo, Brazil: EGEPE.
- Borges AF (2009). The construction of the entrepreneurial process of succession in family businesses: a study multicases. Lavras: UFLA, 2009. (Mestrado em Administração). Master dissertation. Lavras, Minas Gerais, Brazil: Federal University of Lavras.
- Borges AF, Lima JB (2009). The process of building entrepreunership in family business succession: a studymulticase. II Colóquio 3E2P. Curitiba, Paraná, Brazil: Colóquio 3E2P.
- Borges AF, Lima JB, Tavares TS (2008). Social networks and family capital. EGEPE. São Paulo, São Paulo, Brazil: EGEPE.
- Bourdieu P (2009). The simbolic power. Rio de Janeiro: Bertrand Brasil. Buckler B (1996.). A learning process model to achieve continuous improvement and innovation. Learn. Organ., 3: 31-39.
- Burt RS (1992). The social structure of competition. In N. Nohria, & R.

- G. Eccles, Networks and organizations: structure, form and action. Boston: Harvard School Press.
- Cabral GG, Tabosa TM, Tscha ER, Cavalcanti VP (2008). Intrapreneurship desing and innovation: the case of a university partnership company. EGEPE. São Paulo, Brasil: EGEPE.
- Castro JM, Basques PV (2006). Organizational change and innovation: a case study in a company's biotechnology cluster in Minas Gerais. Mackenzie Adm. Rev., 7:71-95.
- Chrisman JJ, Chua J, Zahra S (2003)., June). Creating wealth in family firms through managing resources: comments and extensions. Entrepreneurship Theory, Pract., pp. 359-365.
- Coleman JS (1988). Social capital in the creation of human capital. Am. J. Sociol,, 94: 95-120.
- Costa AD (2007, maio/ago). Management of the succession or professionals in family firms: the case of Perdigão . J. Contemp. Econ., 11: 197-225.
- Craig JB, Moores K (2006). A 10-year longitudinal investigation of strategy, systems and environment on innovation in family firms. Family Bus. Rev., 19(5): 578-592
- Cramer L (2002). Social representation of entrepreneurial action. Master dissertation. Lavras, Minas Gerai, Brasil: UFLA.
- Dess GG, Ireland RD, Zahra SA, Floyd SW, Janney JJ, Lane PJ (2003). Emerging issues in corporate entrepreneurship. J. Manage., 29: 351-378.
- Eccel CS, Cavedon NR, Craide A (2007., jul/set.). The family business hot doz of Rosario: between the anthropology and administration. Organ. Soc., 14.(42): 49-66.
- Emmendoerfer ML, Helal DH (2008). Family business: a space for generationg ideas and products . In A. P. Carrieri, L. S. Saraiva, & D. Grzyboviski , Family business: a mosaic in Brazil. Passo Fundo: University of Passo Fundo, pp. 358-384
- Ensley MD, Pearson AW (2005). An exploratory comparison of the behavioral dynamics of top management teams in family and nonfamily new ventures: cohesion, conflict, potency, and consensus. Entrep. Theory Pract., 29. 264-267.
- Erden RF, Baser GG (2010). Family and business values of regional family firms: a qualitative research. Int. J. Islam. Middle Eastern Financ Manage., 3(1): 47-64.
- Estol KF, Ferreira MC (2006). The succession process and organizational culture in a family business in Brazil. J. Contemp. Manage., 10: 93-110.
- Forges E, Hamel J (2000). The role of family in developing the economy of francophones in Quebec. Organ. Soc., p. 7.
- Garavan T (1997). The learning organization: a review and evaluation. Learn. Organ., 4: 18-29.
- Gersick KE, Davis JA, Hampton MM, Lansberg I (1997). From generation to generation: life cycle of the family business. São Paulo:
- Gomes AF, Santana WP, Araújo UP (2008). Mechanisms for monitoring and control device: the case of a family clothing industry in Minas Gerais. J. Manage. Mackenzie, 9: 64-87.
- Granovetter MS (1973). The strength of weak ties. Am. J. Sociol., 6: 1360-1380.
- Grzyboviski D, Boscariln R, Migotti AB (2002, mai/ago). Feminine style of management in family businesses gauchos. J. Contemp. Manage., 6: 185-207.
- Grzybovski D (2007). Platform for knowledge and learning transgenerational. Doctorate dissertation. Lavras, Minas Gerail, Brazil: UFI A
- Guerreiro R, Pereira CA, Rezende AJ (2006). In seeking to understand the formation of habits and routines of management accounting: a case study. J. Manage. Mackenzie, 7: 78-101.
- Hansen MT, Nohria N, Tierney T (1999, Mar-Apr). What's your strategy for managing knowledge? Harv. Bus. Rev., 77: 106-110.
- Hoffman J, Hoelscher M, Sorenson R (2006, June). Achieving sustained competitive advantage: a family capital theory. Fam. Bus. Rev., 19. (2): 135-145.
- Kenny J (2006). Strategy and the learning organization: a maturity model for the formation of strategy. Learn. Organ., 13: 353-368.
- Kogut B, Zander U (1992). Knowledge of the firm, combinative capabilities, and the replication of technology. Organ. Sci., 3: 383-397.

- Laviolette EM, Loue C (2006). Entrepreneurial skills defining and building um repository. Congrès International Francophone en Entrepreneuriat et PME. Fribourg: AIREPME.
- Leone N, Leone R (2006). Family business: repercution identification of economic, technological and organizational changes through the course of the successors. Mackenzie Admin. Rev., 7: 88-62.
- Lethbridge E (1997). Trend of the family business in the world. J. BNDES, 4: 185-200.
- Lightfoot G, Fournier V (2000). The conditions of everyday life: organizing routines in family businesses. Organ. Soc., 7(18): 81-98.
- Lima JB (2010). Entrepreneurial actions and practice in entrepreneurship. In F. Gimenez, J. Morais, & S. Ramos, Entrep. Small Bus. Strategy. Curitiba: Campagnat, pp. 25-40
- Lima JB, Andrade DM, Grzyboviski D (2005). Practices entrepreneurial succession in family businesses. In E. L. Souza, & T. Guimarães, A Entrepreneurship beyond the business plan. São Paulo: Atlas. p. 259
- Macêdo B, Caixeta CM, Guimarães DC, Macêdo GN, Hernandez JC (2004). The succession process in family and exclusion of women. Psychol. Soc.,, 16: 69-81.
- Macêdo KB (2002). Culture, power and decision in the Brasilian family organization. J. Bus. Adm., 1(1): 1-12.
- Machado RM, Wetzel U, Rodrigues ME (2008). The experience of succession to the heirs of family businesses in Rio de Janeiro. Cadernos EBAPE, 6.
- Manual O (2004). Proposed guidelines for collecting interpretting technological innovation data. Rio de Janeiro: OCDE.
- Maruyama M (1963). The sencond cybernetics: deviation amplifying mutual causal processes. Am. Sci., 51: 164-179.
- Maturana H, Varela F (1980). Autopoiesis and cognition: the realization of the living. London: Reidl.
- Mcadam R, Reid R, Mitchell N (2010). Longitudinal development of innovation implementation in family-based smes: the effects of critical incidents international. J. Entrep. Behav. Res., 15: 437-456.
- Mello UC, Freitas JB, Barbosa JG (2008). Innovation and organizational learning in na incubator of the university technology park. EGEPE. São Paulo: EGEPE.
- Morgan G (2009). Images of organization. São Paulo: Atlas.
- Nonaka I, Takeuchi H (1997). The knowledge creating company: how japanese companies create the dynamics of innovation . Rio de Janeiro: Campus.
- Oliveira PW, Leone NM, Souza T (2009, jan/mar). Cases in management education: Taste of Home restaurant. J. Contemp. Manage., 13: 154-166.
- Oro IM, Beuren IM, Hein N (2009). Analysis of the efficiency of family firms in Brasil. J. Bus. Admin.,8. (2): 1-27.
- Örtenblad A (2001). On differences between organizational learning and learning organization. Learn. Organ.,, 8: 125-133.
- Paiva KC, Oliveira MC, Melo MC (2008). Brasilian scientific production on family business: a metastudy of paper published in conference proceeding ANPAD in the 1997-2007 period. Mackenzie Admin. Rev., 9: 148-173.
- Panuwatwanich K, Stewart RA, Mohamed S (2009). Validation of an empirical model for innovation diffusion in Australian design firms. Constr. Innov., 9: 449-467.
- Paper D, Simon S (2005). Change research: the search for a theoretical construct. Inform. Resour. Manage. J., 18: 1-1.
- Petry LI, Nascimento AM (2009). A study on the governance and succession process in family businesses. J. Account. Financ., USP, 20: 109-125.

- Pettigrew AM. Whittington R, Melin L, Runde CS, Bosch RAJVD, Ruigrok W, Numagami T (2003). Innovative Forms of Organizing. London: Sage.
- Pinto MS, Souza CC (2009). Change Organizational in a family businesses in Brazil. J. Public Adm., 43:609-634.
- Polanyi M (1973). Personal knowledge: toward a post-critical philosophy. London: Routledge & Kegan Paul.
- Porter M (1992). Competitive Advantage: creating and sustaining high performance. Rio de Janeiro: Campus.
- Putnam RD (2007). Community and democracy: the experience of modern Italy. Rio de Janeiro: FGV.
- Ramos EP, Helal DH (2010). The practice of knowledge management in a family business in the retail in Minas Gerais (MG): a case study. J. Technol. Manage. Inform. Syst., 7: 433-452.
- Robichaud A (2000). Mangement, implict theories and family: a psychodynamic perspective Management, implicit theories and family: a psychodynamic perspective. Organizations and Society, 7: 65-80
- Rodsutti MC, Makayathorn P (2005). Organizational diagnostic factors in family business Case studies in Thailand. Dev. Learn. Organ., 19: 16-18.
- Schumpeter J (1985). The theory of economic development. São Paulo: Nova Cultural.
- Silva-Junior A, Muniz RM (2006). Succession, power and confidence: a case study in a family business capixaba. J. Manage., USP 41: 107-117
- Sorenson RL, Bierman L (2009). Family Capital, Family Business and Free Enterprise. Family Bus. Rev., 22:193-196.
- Sorenson RL, Goodpaster KE, Hedberg PR, Yu A (2009). The Family Point of View, Family Social Capital, and Firm Performance: An Exploratory Test. Family Bus. Rev., 22: 239-253.
- Souza EC, Castro-Lucas C (2008). Entrepreneurship, innovation and culture: an experience of teaching and learning. EGEPE. São Paulo, Brazil: EGEPE.
- Souza-Silva JC, Schommer PC (2008). Research on communities of practice: current situation and future prospects. Organ. Soc., 15. (44): 105-127.
- Tillmann C, Grzybovski D (2005). Succession in family business leaders: strategies observed in the family business. Organ. Soc., 12. (32):45-61.
- Tran T, Jones JA (2008). A conceptual model of learning culture and innovation schema. Competitiveness Rev Int. Bus. J.,18: 287-299.
- Trevinyo-Rodriguez RN, Bontis N (2010). Family ties and emotions: a missing piece in the knowledge transfer puzzle. J. Small Bus. Enterprise Dev., 17: 418-436.
- Trevinyo-Rodriguez RN, Tàpies J (2006). Effective knowledge transfer in family firms. In P. Z. Poutziouris, K. Smyrnios, & S. Klein, Handbook of research on family business Cheltenham, UK, Northampton, USA: Edward Elgar, p. 631.
- Van Der Sluis LC (2004). Designing the workplace for learning and innovation: Organizational factors affecting learning and innovation. Dev. Learn. Organ., 18: 10-13.