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HOW FAMILY INTERACTION PATTERNS INFLUENCE ENTREPRENEURIAL PROCESSES: INSIGHTS FROM THE HUTTERITES

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ABSTRACT

We reengage the family science literature to develop a more complete and theoretically rich understanding of how social interaction can impact a multigenerational kinship family's ability to develop novel solutions and products. In this pilot study we use the lens of symbolic interactionism to develop preliminary insights around how interactions can contribute to the development of solutions to problems and generation of novel new end products.

INTRODUCTION

On average 543,000 new U.S. companies are launched every month, with the total number of U.S. entrepreneurs estimated to be 11.5 million (Connor, 2012). Family businesses comprise about one-third of the companies listed in the Fortune 500 (Anderson & Reeb, 2003), account for 50% of the U.S. gross domestic product, and generate 60% of the country's employment (Perman, 2006). Inarguably, both entrepreneurs and family business play a fundamental role in economic growth, progress, job creation, and problem solving.

Given these impressive numbers it is unsurprising that research in both fields has expanded to encompass a wide array of topics and perspectives. Yet, despite these large contributions and similar trajectories, the fields have progressed along parallel rather than intersecting planes. This is perplexing, for while the individual entrepreneurship or family business statistics are impressive, combining the two generates staggering figures. Although it is difficult to generalize, it has been suggested that established family businesses engaging in corporate entrepreneurship are major contributors to economic development in many countries (Westhead & Howorth, 2007; Zahra, Hayton, & Salvato, 2004) and looking across 13 countries, Jennings, Breitkreuz, & James (2013) suggest approximately 115 million families are engaged in starting new businesses or operating young firms.

This has not gone unnoticed, and calls from both entrepreneurship (Aldrich & Cliff, 2003) and family business (Hoy & Sharma, 2010; Jennings et al., 2013) have been made for greater integration. Yet, this call has gone largely unaddressed, and today, entrepreneurship research can still be criticized for its failure to realize both the actual and potential entrepreneurial capacity of families (Aldrich & Cliff, 2003; Rogoff & Heck, 2003). Where the fields have intersected, the approach has been business focused, using the firm as the level of analysis and exploring firm-level business factors (e.g., the role of the founder, firm life cycles, management, and growth financing). This research has focused 'on a family business' and not 'on the business family,' (Sharma, Melin, &
Nordqvist, 2013). Overall, extant family entrepreneurship research has primarily applied a corporate entrepreneurship perspective and examined business factors in family businesses. Although this understanding of business factors is valuable, it neglects greater consideration of family factors. The few studies that look beyond business factors to the family’s role in entrepreneurial activity have pointed to family as the social or organizational context, but do not use family as the unit of analysis. Thus, research that explores family dynamics, affective resources, family culture, and family interactions may reveal new insights. We felt we could accomplish this by engaging with the family science literature. We seek to develop new insights by studying the interactions and emotions that occur within and amongst individuals in a unique multigenerational kinship family (Klein, 2008) – Hutterite colonies. We question: How do family interactions and emotions enable or constrain the generation of novel solutions, products and services?

Existing Research And Emergent Critique

Historically, the ‘lone hero’ featured prominently within the classics IM. (e.g. Cantillon, 1755; Kirzner, 1973; Knight, 1921), which conceptualized entrepreneurs as extraordinary solitary individuals with pioneering vision and “supernormal qualities of intellect and will” (Raines & Leather 2000:377; Harper 2008). Much of the work that followed (Casson, 1982; Kirzner, 1997; Shane & Venkataraman, 2000) continued the tradition of taking the individual as the basic unit of analysis and vesting entrepreneurial agency within the individual. Casson (1982), for example, explicitly stated that the entrepreneur is someone, a person, not a team, a committee or an organization, and not to assume that membership in an entrepreneurial team is so cohesive that the team has a “will of its own.” Shane and Venkataraman (2000) suggested that differences in individual knowledge, alertness, and creativity strongly influence the discovery and exploitation of profit opportunities. From this perspective, entrepreneurship through collective action was seen as simply irrational, epiphenomenal or an impossibility (Harper, 2008).

Yet, observers increasingly began to argue that the team, group, and especially the family, can be essential for accomplishing entrepreneurship (Reich, 1987; Stewart, 1989) and the “all in the head” notion of an enterprising individual could instead be a socially distributed process that involves joint action possibilities (Peredo & Chrisman, 2006). Ruef (2010) recently stated that continuing to conceptually and empirically treat the entrepreneur as a solo actor is at best misleading, at worst, mythological. This slowly growing challenge that many entrepreneurial activities are not, as often assumed, undertaken by individuals, but rather by teams or groups has led to a renewed interest in family. Indeed, it is even suggested that perhaps family is the most common entrepreneurial team (e.g. Ruef, Aldrich, & Carter, 2003; Aldrich & Clift, 2003). Thus far there have been two main approaches taken to attempt to integrate the entrepreneurial process into family business. The first, and most dominant, has been to take a business approach and apply entrepreneurship theory to family businesses using the firm as the level of analysis. Evidence of this focus is seen in family business studies that use a corporate entrepreneurship perspective (e.g. dKellermanns and Eddleston 2006; Naldi, Nordqvist, Sjoberg; Zahra, 2005) to unveil the entrepreneurial orientation of family business. Researchers have explored firm-level phenomena such as risk taking (McConaughy, Mathews, & Fialko, 2001), innovativeness (Craig & Moores, 2006), proactiveness (Daily & Dollinger, 1992), competitive aggressiveness (Zellweger & Sieger, 2010). The second, less common, approach has been to look beyond business factors towards the family’s potentially unique role in the processes and outcomes of entrepreneurship. Steier (2007), for example, talks about a ‘familial sub-narrative’ and argues that most (great) stories
of entrepreneurs contain a silenced story (i.e., sub-narrative) of how the entrepreneur’s family is pivotal for business success: “Many entrepreneurs are embedded in a social context that includes a family dimension. For these entrepreneurs, family represents a rich repository of resources: economic, affective, educative, and connective” (Steier, 2007:1106).

More recently, scholars have suggested there is a need for research that takes the argument a step further and establishes family as a unit of analysis for entrepreneurial studies, and not simply as a social or organizational context (Astrachan, 2010; Dyer, 2003; Moores, 2009; Nordqvist & Melin, 2010; Uhlaner, Kellermanns, Eddleston, & Hoy, 2012; Zahra & Sharma, 2004). Nordqvist and Melin (2010) suggest this idea is not new; in sociology, it is widely acknowledged that the family is one of the most important actors in both the social and economic realms. Their article suggests attitude is the mindset and approach taken by the family as a collective or by individual family members in entrepreneurial processes. Attitude is together a cognitive notion, a way of thinking and an action-based orientation held by the family members who take new initiatives and carry out changes.

In our study we wanted to dig deeper into how family might influence entrepreneurial activity, through social interactions, as well as family specific norms, attitudes, values, and emotions. Despite its growing significance within work focused on the influence of affect on the cognition and behavior of enterprising individuals (Baron, 2008; Cardon, Wincent, Singh, & Drnovsek, 2009), only very recently have a few scholars started to emphasize the emotional aspects of the entrepreneurial process, without reifying it to the purely individual level (see for example Jennings et. al, forthcoming).

In order to add consideration of this interpersonal dimension we looked to family science. Family science is an interdisciplinary, applied field of study in which scholarship focuses on the discovery of knowledge related to family processes, family relationships, family well-being, and the nature of family life in social, political, and economic contexts. We felt this was timely, particularly in light of James et al findings from their comprehensive bibliographic analysis of 2240 scholarly articles published on the topic of family enterprise between 1985 and 2010 (James, Jennings, & Breitkreuz, 2012). Their results show that while almost one third (29 percent) of the articles published in 1985 drew upon theories of family, 25 years later that proportion had fallen to less than 1 in a 100 (under 1 percent). This succinctly demonstrates the over-emphasis on the family enterprise –rather than the enterprising family (Moores, 2009). Although a host of family theories (i.e., systems theory, life course theory, social exchange theory) are potentially informative, we chose symbolic interactionism as the key theory to inform our study. In contrast to individualist approaches to entrepreneurship, which have almost entirely neglected the consequences of being with others, the ‘social’ – involving intersubjectivity and interaction has been the preserve of interactionist theory.

Symbolic Interactionism

Symbolic interactionism emerged in the early 20th century, but is still considered relevant and instructive for understanding the importance of meaning and interaction within the family (LaRossa & Reitzes, 2004). Symbolic interactionism assumes that families are the core building blocks of society and pay attention to how interactions between family members shape individuals and family life, which, in turn, shape larger organizations. As summarized by Jennings, Breitkreuz
and James (2013), interactions refer to the social exchanges and connections that individuals have with other key people in their lives. Furthermore, interactionists view emotions as an inherent component of social relationships (rather than an individual anomaly), and implicate them in shaping experience and conduct. Individual family members align their behaviors within meanings held by others within their family, and each family and its members ultimately develop behavioral and role norms (LaRossa & Reitzes, 2004; Smith, 2009). According to symbolic interactionist family scholars, families are social groups in which individuals develop through interactions with other family members their values, identities, behaviors, and role norms.

Interaction Ritual Theory

An extension of symbolic interactionism is the theory of interaction rituals (IR) first developed by Collins (1990). IR theory provides a critical lens for understanding how emotion and interactions within a family provides energy for innovative behavior. Where others perceived emotion to be inherently negative, volatile, and detrimental to entrepreneurship (e.g. Hargadon & Douglas 2001), Interaction Ritual theory is predicated on a positive, socially emergent view of emotion, which conceptualizes emotion as a socially emergent (rather than socially constrained) positive and productive energy.

Collins (1990) proposed a set of factors — mutual focus of attention, shared emotion, bodily co-presence and barriers to outsiders, which enhance this positive emotional energy. Mutual focus of attention means that people attend to the same activity, and have a mutual awareness of each other's attention. Shared emotion refers to the common mood or underlying tone. Bodily co-presence means that people in the interaction have close physical proximity. Barriers to outsiders refers to the boundaries that protect interaction participants from those who could weaken the mutual focus of attention and emotion (Collins, 1990, 2004). Collins posits that the outcomes of such social interactions are: solidarity at a collective level, enhanced emotional energy, confidence, enthusiasm and initiative in taking action, group symbols, and commonly understood standards of morality (2004:49).

Goss (2005, 2008) built from Collin’s framework to question why, when and how some people and not others engage in entrepreneurial conduct (Shane and Venkataraman, 2000). Rather than looking for entrepreneurialism as an essential property ‘within’ the individual, he locates entrepreneurial conduct as an outcome of the dynamics of social situations, specifically, the emotional propensity to challenge or resist social sanctions, a precondition for sustainable innovation. Cardon (2008), Jennings et al (forthcoming) and Metiu and Rothbard (2013)Shared Emotion, and Mutual Focus of Attention: A Comparative Study of the Microprocesses of Group Engagement elaborate on this notion of collective emotion generated in social interactions. Cardon (2008) explicates how entrepreneurial passion can be transferred to others via the process of emotional contagion and Jennings et al (forthcoming) offer preliminary evidence for extant theorizing about how groups of entrepreneurs elicit and maintain emotional arousal. Metiu and Rothbard (2013) suggest a slight modification to Collins theory and suggest that shared emotion both results from mutual focus of attention and reinforced it. Furthermore, they find factors such as individual engagement, the frequency and informality of interactions, and the presence of a compelling project direction were conditions that influenced whether people were able to engage with each other.
This work on interaction rituals provides an important starting point for our examination of the entrepreneurial family process. It helps us understand in a systematic manner how interactions in a family can affect entrepreneurial behavior and lead to the generation of novel solutions, products and services. It is a useful framework for several reasons. First, it places primary importance on the interaction understood “not as a cognitive construction but as a process by which shared emotions and intersubjective focus sweep individuals along” (Collins 2004: 32). Second, it takes into account emotion. Third, by acknowledging the reciprocal relationship between mutual focus of attention and shared emotion, Collins’ framework captures the dynamic nature of these interactions and their effects on family business life. Collins’ (1990, 2004) and Goss’ (2005, 2008) work on interaction rituals is quite relevant to our research question about how a family’s interactions and emotions contribute to novel product and solutions. However neither scholar applied their concepts to family businesses. Our pilot study provides preliminary findings in regards to the importance of the interaction in a family enterprise setting. We provide ideas about how a family enterprise develops an entrepreneurial attitude, what conditions enable its development, and its consequences.

To briefly preview our findings, in large, multigenerational kinship families such as the Hutterites, interactions become a crucial mechanism that drives their entrepreneurial activities and outcomes. The collective effervescence, or positive energy, which developed from a lack of barriers between family members, a singular identity, and their “we” versus “I” approach, influenced this multigenerational family’s ability to develop new solutions and products. Factors such as interaction frequency, informal interaction style, and barriers to outsiders were conditions that contributed to the likelihood the family members would interact in a manner that generated collective effervescence and develop novel solutions and outcomes.

**Methods**

**Setting**

Hutterite colonies are comprised of extended family members who follow an Anabaptist ideology of collective ownership, pacifism and strict independence from the state. There are approximately 31,000 Hutterites in Canada, living on 340 colonies. Each colony has approximately 18 families working together to farm an average of 8,800 acres (Wipf, 2012). Across the Canadian provinces of Manitoba, Saskatchewan and Alberta, the Hutterites dominate the agriculture industry, farming approximately 3.5 million acres of land (Hofer, 2012). On a colony, families pool their resources, and since there are more than enough operators, equipment costs are minimized by sharing fewer pieces of machinery. They are successful agricultural entrepreneurs who have adopted innovative practices such as economies of scale, new technologies and cooperative management to dominate agricultural production in Canada. As an example, the Hutterites account for over 25% of the laying hens, over 35% of the turkeys and 35% of the hogs in the province of Manitoba (Canada, 2006).

Why do we consider Hutterites entrepreneurial? Today, the over 340 Hutterite colonies scattered across Western Canada have expanded much beyond farming as their sole means of income generation. Most colonies have thriving businesses at local farmer’s markets where they sell market garden produce, breads, pies, knitting, sewing, jams, meat, and a vast assortment of uniquely Hutterite goods. Many colonies have large woodworking businesses, manufacturing shops, feed mills, trucking operations, welding operations, and custom farming divisions. Hutterite
colonies are building everything from fire trucks, sheds, brooms, furniture, log furnaces, leather goods, and plastic clips. Oil wells and natural gas plants are found at many locations. An Albertan Hutterite colony recently seized upon an opportunity to make use of their waste by building a biofuel plant; another colony (in the middle of the Manitoba prairies) has started Arctic char fish farming; another recently converted their dairy operations into a plastic recycling business, and yet another colony takes recycled plastic pipe and grinds it into pellets.

Data Collection

Our data collection and analysis were guided by grounded theory methods (Glaser & Strauss, 1967; Strauss & Corbin, 1998). We chose this approach in part because this was a precursor pilot study for the first author's dissertation, thus we wanted to explore multiple possibilities and remain open-minded, and in part because this methodology is commonly used to generate theory where little is already known. As indicated in table 1, our primary data sources were interviews and observations, and our secondary sources were books and social media.

Primary Sources

The first author conducted eleven semi-structured interviews. Eight of these interviews were with Hutterites and three were with informants who are not Hutterite but who worked and interacted extensively with the colonies. The interviews lasted 1-2 hours. In addition, the first author was offered excellent access to one Hutterite colony to use as a research site so we were able to supplement the interviews with 3 days of observations. Observations on this Hutterite colony included: the chicken operation, the dairy operation, the manufacturing shop, the woodwork shop, the kitchen, the church, the school, the communal dining area, and some private Hutterite homes. During the colony visits the first author was lucky enough to be invited to participate in meals, story time, and numerous family activities.

Secondary Sources

We used articles, popular press and books as an important source of background information about culture, beliefs, and origins of the Hutterites. Additionally, we reviewed various historical documents from Alberta's provincial archives and information from the central Hutterite website. Moreover, one of the Hutterite informants invited the first author to “tag along” with him when he went to an Agricultural College to give a presentation on the ‘Hutterite Life.’ She joined him for the afternoon at the college and we use the recording of his presentation as part of our data.

Data Analysis

The analysis evolved as data was collected and interpreted. Our analysis builds on a constructivist grounded theory perspective that emphasizes respondents’ narratives of their experience. The analytic steps included: (1) coding interviews and personal accounts for statements about what was happening and what people were doing; (2) developing tentative categories, (3) writing memos on the categories.
**Findings**

It wasn’t until we combined the interviews, observations and secondary data that a new understanding began to take shape, one that we couldn’t recognize from any single data point but that we needed to appreciate in its entirety. In analyzing our data, we observed that a number of factors that characterized our enterprising family’s process related very closely to Collins’ interaction ritual theory, which we described earlier (Collins 1990, 2004). We did, however, inductively identify a number of extensions to Collin’s framework, which we have incorporated into our model of type of family interactions. Figure 1 illustrates the emergent model.

Specifically we observed that interactions were being enabled by four factors – familial buffering, informal interaction styles, interaction frequency, and barriers to outsiders. These factors contributed to the likelihood that an interaction would occur and be characterized as an episode that develops collective effervescence. The specific interaction we observed had a “we” versus “I” approach, no barriers between family members, and no family versus business conflict.

**Enabling Conditions**

We observed four enabling conditions that we felt were contributing to the entrepreneurial behaviors of this enterprising family. These were: familial buffering, informal interaction styles, interaction frequency, and barriers to outsiders. We discuss each in detail below.

**Familial Buffering**

We observed that these enterprising Hutterite families appeared to buffer family members from the outside world. Family was freeing family members to think innovatively. Cultural contexts typically diffuse normative prescriptions, while erecting and reinforcing boundaries (Holm, 1995; Scott, 2001). Family acted as a buffer, providing autonomy from some of the rules and norms of broader society, allowing them to reject many of broader societies institutionally prescribed norms. The Hutterite’s familial individuality allows the Hutterites to create a subculture within the family enterprise. This subculture is a central mechanism for enabling entrepreneurial activity and group success. Research on subcultures, cliques, and “small worlds” has highlighted that boundaries often restrict the vertical flow of cultural norms that would have otherwise diffused mimetically (Van Wijk, Stam, Elfring, Zietsma, & Den Hond, 2013). For example, Lepoutre and Valente (2012) find that within the Belgian ornamental horticulture sector, organizations engaged in practices that provided those organizations and their members with “symbolic and material immunity” from the institutionalized norms of that field were able to engage in innovation. In our study, we found family members were able to deviate from agriculture’s broader institutional norms and practices, and engage in developing novel new products and ways of doing things. For example, one informant spoke of their collective approach to being different:

Hutterites, more than anything else think the world is different from them as opposed to them different from the world. Like generally speaking they know they’re not like the rest of the world but they don’t realize how truly different our culture is in from the outside world and don’t really care. The only way in which we spend time worrying about being different is in time spent trying to figure out how to be like the rest [of the colony]. Internally, Hutterites by in large do not like to be different, they prefer to all be equal. I don’t think any Hutterite is ever being concerned about being different from the outside world. (Informant A)
Another informant, who now worked off the colony, discussed the difference between how things were done on and off the colony:

All the rules (off the colony)...it's STUPID! The safety rules where I work now are crazy. If I need something off a top shelf I can't just quickly climb up the shelves and grab it, I need to go get a ladder and use the ladder. It's sooooo inefficient. Also the carts with wheels, they don't let us use them like scooters. It would be so much quicker to hop on them and drive them around the shop but, oh no, there are rules against that. An every bloody thing has to have a paper trail! I'm used to doing things on instinct not on paper. On the colony if we needed something improved, we just improved it...we didn't need a paper to tell us what to do and how to do it. (Informant B)

Informal Interactions

The second condition that appeared to be enabling successful interaction rituals was the style of interaction. All the observations we observed we categorized as informal. Interactions weren't planned, meetings were never scheduled, surnames were never used, children ran and played in the middle of interactions, and no status differentiations were made. Their familial support system has created an environment where everyone knows they are accepted. They can forgo excessive, and in their opinion, unnecessary displays of manners. Indeed their abrupt way with each other initially caught us off guard but there is efficiency to how they interact and the realization that saying something in just the right way is unnecessary. They put little thought into how they are perceived because they know they are accepted on the colony and this is liberating and enables risk taking. This was made evident in an interview with a Hutterite informant:

One of my least favorite things outside of the colony is the manners. I don't mean eating with proper manners I mean all the effort it takes to speak to people with proper manners. It just seems so inefficient and time consuming. On the colony we just said what we meant and didn't worry about it. You didn't have to worry about being polite and hurting other people's feelings because we all knew each other so well and trusted each other. We are much freer on the colony, out here you need to say and do the right thing. (Informant B)

On the colony everyone just randomly visits. We all come and go from each other's places and there is a real sense of community. It's different off the colony, everyone has rules and schedules for when and where you do things. (Informant C)

Frequency of Interactions

We observed constant interaction of the colony. A Hutterite does not drink coffee by herself, nor does she weed the garden, cook a meal, or go to town by herself. There are always children underfoot. Colonies reduce feelings of social and personal alienation and they discuss their challenges, ideas, failure, and successes openly, across the communal dinner table, throughout the day and into the evenings as they visit and socialize. Observations from one colony visit helps demonstrate the constant interaction that takes place amongst members:

We are sitting in the living room in Michael's home. I start to ask a question and one of the tractor drivers walks into the house to discuss a seeding issue. A teenage girl enters and something is said in German before she scurries off. After a few moments I ask another
question and we start discussing the colony’s innovative practices. The door opens again and the garden boss walks in and they start to discuss this weekend’s farmer’s market and who should make the trip. Chickens are mentioned in the conversation and I pipe up how much my family enjoys Hutterite chicken and that I’ll grab some before I leave. Michael’s wife yells something in German to someone outside the window. Paul walks in followed by three of his grandsons. Paul tells me it would be great to get my opinion on farm management, what could they do to improve? Paul’s grandson’s scurry off but not too long goes by before Josie and Martha enter and start to talk about the Christmas ornaments they have started making to sell. Another young girl walks in carrying a bag which she drops at my side. Inside are 4 chickens along with a note that says “for little miss green eyes.” Somehow my offhand mention of chickens made its way across the colony, over to the chicken barn, and back within 20 minutes.

**Barriers to Outsiders**

Collins (1990, 2004) contends that barriers to outsiders protect interaction participants from those who could weaken the mutual focus of attention. Beyond the fact that all the colony members know each other, their distinctive style of dress and modified German language, make it immediately evident who is an outsider visiting the colony.

**Enterprising Family Interactions**

Three interacting elements generated collective effervescence in the familial interactions we observed. First, we observed a “we” versus “I” mentality that focused member’s attention enabling family members to develop collective effervescence. Second, we observed a shared single identity that helped family members develop shared understanding. Third, we observed a lack of formal boundaries between family members.

**‘We’ Versus ‘I’**

The Hutterite told their stories from the perspective of “we”. Innovations and success were attributed to the colony, not to any one individual. The stories that were told about colony life and entrepreneurial initiative did not have individual heroes. The central character in these stories was a collective actor. The use of the word ‘we’ 14 times in this quote from one of our Hutterite informants helps demonstrate the ‘we’ mentality that exists within this enterprising family:

So now what is it we want to do? I believe that we will, we will survive. We are people of adaption from the 1500s. As long as we can work together, we will succeed. We are adding value to produce that we produce. Okay? We’re de-boning meat. We’re smoking meat; we’re making sausages and starting to market. I believe, and another route we’re going, we’re going raising poultry that’s drug and hormone free. And we have niche markets. (Informant C)

**Single Identity**

Research suggests that family and business roles create continuous contradictions that must be managed (e.g. Sundaramurthy & Kreiner, 2008). In some firms, it may be well established that business comes first—so, for example, family vacations must wait for appropriate
lulls in business activity. Shepherd and Haynie (2009) created the notion of a family-business meta-identity. They suggest that the family-business role is a distinct identity that functions at the intersection of family and business identities. The family-business meta-identity represents a higher-level identity that serves to inform “who we are as family” and “who we are as a business” in a way that represents the intersection of these sometimes competing identities, thus defining “who we are as a family business.” This meta-level identity “manages” the conflict between the family and the business identities. In opposition to this, we observed a single identity that merged both family and business.

**No Boundaries**

We also found family and business had no boundaries on the colony. It was impossible to distinguish where and when work starts and family ends, or conversely when family starts and work ends. For example, when it was one of the informants assigned week for colony meal prep (the females over 18 all rotate through the responsibility for cooking) her mother, sisters, and cousins all helped. Preparing dinner was a job but also a way to spend time with family. A business trip to the farmer’s market to sell colony produce is also treated as a family outing. A dinner bell rings out across the colony registering mealtime but no one punches in or out of work, there are no absence sheets, no vacation tracking. Work lives and family lives on the colony blend inextricably and business and family are combined and embedded in the collective social structure. Observations from one of my Hutterite colony visits depict how family and business are inextricably intertwined:

I am visiting on the colony with the Field Boss- Paul. As we chat in Paul’s living room his wife enters and plops Paul’s one-year old grandson on the floor. A few minutes later Peter (the poultry boss) wanders in followed by another Hutterite man. They grab chairs and no reason is offered as to why they have walked into Paul’s house. Talk turns to how 1200 chickens were butchered today and a delivery will be made in to town tomorrow. They wonder who wants to take the trip to town. Two more of Paul’s grandsons come running in and plunk down on the floor in the middle of the room. They discuss their newest chicken market - selling to a number of Chinese restaurants.

**Discussion**

This qualitative study of a multigenerational kinship family’s interactions sheds light on questions about the role of the interpersonal on a family businesses ability to develop innovative solutions and products. Our approach to these questions, and the findings that surfaced, offer a number of intriguing preliminary contributions that we feel warrant further consideration.

By engaging with the family science literature we took the first few steps toward developing a more complete understanding of how social interaction can impact a multigenerational kinship family's ability to develop novel solutions and products. Specifically, we highlighted conditions - familial buffering, informal interaction styles, interaction frequency, and barriers to outsiders that appeared to enable these familial interactions to occur on a regular basis. These factors contributed to the likelihood that an interaction would occur and be characterized as an episode that develops collective effervescence. The specific interactions we observed had a “we” versus “I” approach, no barriers between family members, and no family versus business conflict. This style of interaction appeared to be enabling a flow of positive energy and emotion that helped to generate solutions to problems and innovative new end products.
Empirically, our research offers preliminary evidence and a starting point for additional theorizing about how these familial interactions help generate the energy and emotions needed to recognize and act upon opportunities. In particular, our findings lend support for the theory-building efforts by Goss (2005, 2008) and Metiu and Rathbard (2013) by demonstrating the entrepreneurial impact played by the style of interaction, the blending of family and business, and how a collective approach to opportunity generation and identification can lead to novel solutions and products.

Future Extensions

Our pilot study of entrepreneurial activity on Hutterite colonies raised some intriguing directions for future research. First, from more of an entrepreneurship perspective, the notion of the ‘lone hero’ entrepreneur continues to dominate the literature but studies such as this one push the field to consider how innovative outcomes may be influenced by and produced within groups. Also, more specifically within group entrepreneurship, while institutional, economic, social, and geographic reasons have been offered as reasons why a group may act entrepreneurially, limited consideration has been given to the interpersonal dimensions that may impact collective action. Second, from the family business perspective, only a few scholars (e.g., Nordqvist and Melin, 2010) have established the family as a unit of analysis that influences the family business’ entrepreneurial activity, through access to resources, as well as its specific norms, attitudes and values. Finally, an additional point we found particularly interesting, and could be extended, was how our interviews and observations suggest that the family and business identity need not be contradictory but can in fact be embedded into a single identity that enables entrepreneurial activity. We observed that familial and entrepreneurial orientations are not always opposing identities, but importantly, family businesses certainly can, and do, blend family and entrepreneurship.

Limitations

A better understanding of this phenomenon is unlikely to progress without more comprehensive data. Inarguably the Hutterites represent a unique and specific case and we make no overt attempt toward generalization, nor do we claim universal truths from the study. We are sensitive to the fact that we need to be cautious about generalizing from such a unique case. As we mentioned, this study was an initial pilot study, which is now being built in to a larger and more expansive study. Some might question whether the processes observed on the Hutterite colonies truly constitutes an example of entrepreneurship, pointing to the fact that while a new divisions and products may be formed for such an endeavor, a new firm is not. As emphasized most recently by Shane (2012), however, scholars are not unanimous in equating venture creation with entrepreneurship. Consistent with these scholars and others, we view entrepreneurship as involving “the creation of new means-ends relationships (ways to combine resources)”, which results in the introduction of new goods, services, raw materials, markets, or organizing methods (Shane, 2012: 17; see also Schumpeter, 1934).

Conclusion

Our aim was to explore the impact of interactions and affect on a multigenerational kinship family's entrepreneurial activity. We thus studied Hutterites as they are an example of a multigenerational kinship enterprise that has been successfully developing new products and
ventures. In regard to conclusions, as we noted within this paper this was a pilot study so data is limited. However we still feel able to generate some initial preliminary conclusions. Our next step is a more in-depth detailed study.

To conclude, our most important contribution is that interactions and affect play a powerful role generating the energy and emotion needed to enable a family to develop novel products and solutions. Although recent research on collective action has emphasized a number of contextual factors, through this case study we offer strong initial support for the idea that a family’s ability to initiate entrepreneurial action is strongly influenced by their style and way of interacting.

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References


APPENDIX 1: TABLE 1: DETAILS ABOUT PRIMARY DATA SOURCES

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<th>Type and Source</th>
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<td>2</td>
<td>1 day each</td>
<td>2 days</td>
</tr>
<tr>
<td>Colony C</td>
<td>1</td>
<td>1 day each</td>
<td>1 days</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
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<tr>
<td><strong>Interviews</strong></td>
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<tr>
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<td>3</td>
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<td>6 hours</td>
</tr>
<tr>
<td>Colony A Internal Informants #2</td>
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<tr>
<td>Colony A Internal Informants #3</td>
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</tr>
<tr>
<td>Colony B Internal Informants #4</td>
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<td>2 hours</td>
</tr>
<tr>
<td>External Informant – Hutterite advisor #5</td>
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<td>2 hours</td>
</tr>
<tr>
<td>External Consultant – Hutterite advisor #6</td>
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<td>2 hours</td>
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<tr>
<td>Hutterite presentation to Ag college class</td>
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<td>2 hours</td>
<td>4 hours</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
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<td></td>
<td>18 hours</td>
</tr>
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APPENDIX 2: FIGURE 1: FAMILY INTERACTION