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## BRIDGING THE GAP - DE-CODING TRANSGENERATIONAL ENTREPRENEURSHIP AND VALUE CREATION IN ENTREPRENEURIAL FAMILIES (INTERACTIVE PAPER)

Philipp Bierl

ESCP Europe Wirtschaftshochschule, Germany, pbierl@escpeurope.eu

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≈ INTERACTIVE PAPER ≈

## BRIDGING THE GAP - DE-CODING TRANSGENERATIONAL ENTREPRENEURSHIP AND VALUE CREATION IN ENTREPRENEURIAL FAMILIES

*Philipp Bierl, ESCP Europe Wirtschaftshochschule, Germany*

### Principal Topic:

In the past decades family business as well as entrepreneurship research engaged in the analysis of family firms. In fact, the general focus of entrepreneurship and family literature still remains on the development and survival of a single firm held by one family. However, in recent research approaches, the focus shifts from firm to family level of analysis. In order to explore the unique set of family values, beliefs and motivations, scholars recently exploratively developed scales to measure entrepreneurial orientation on corporate and family level. Accordingly, Entrepreneurial Orientation mutually serves as antecedent to the transgenerational value creation by families. The research body in the field is still insufficient to fully understand the transgenerational phenomenon. There hardly exists any empirical study, exploring the effect of contextually-influenced investment activities of family equity and its influence on transgenerational orientation and value creation processes. Intuitively examining the outstanding cases of family dynasties, we consider long-term family equity investments as the "entrepreneurial fuel". By employing a resource-based view on transgenerational entrepreneurship, our research intends to address the aforementioned gap in literature.

### Method:

Data was collected from known and relevant German-speaking ultra-affluent business families (approx. 400) who repeatedly conduct significant direct investment activities across generations using custom-tailored investment infrastructures (SFOs). Multiple regression analyses were conducted to test the hypotheses. We test our hypothesis by employing the FEO and TGO constructs in a multi-regressional model. Additionally, we conducted qualitative interviews with ultra-affluent family members from both the senior and the junior generations.

### Results and Implications:

Our study contributes to the newly established field of family entrepreneurship. We intend to support, validate and extend previous findings of FEO, BFI and TGO in current literature by putting the diverse constructs in a new, complementary perspective. We demonstrate, that the institutionalization of a family's entrepreneurial activities in a newly found holding company is expression of a high business family identity and fosters the entrepreneurial orientation of a business family. Moreover, we advance the understanding of how Family Equity Investments influences the Transgenerational Orientation of a business family. From a practical perspective, our study delivers valuable insights for entrepreneurial families, their heirs, their management and other involved stakeholders.

**Contact:** Philipp A. Bierl; pbierl@escpeurope.eu; (T): +49 (0)172 8228296; (F): +49 (0)30 88452579; ESCP Europe, Heubnerweg 8-10, 14059 Berlin, Germany.