

Family Business in Greece

Investigation of the basic problems

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Abstract. Little research has so far been carried out concerning the Greek family businesses. According to the Grant Thornton research in 2006, 80% of entrepreneurs consider their business to be a family business. The existing international bibliography shows that the main complications within a family business are as follows: a) succession b) intra-business and intra-family controversies between family members, c) the sequence in leadership and finally, d) the effects these previous issues have on the strategies a family business follows. The gap in the literature regarding Greek family businesses, does not allow us to accept that this is also true for Greek family businesses. This paper aims to investigate the main problems faced by family businesses in Greece. Based on a primary field-study which is focused on 30 family businesses it examines whether and how family businesses have been affected by the social-economical development model of the Greek economy, as well as by the notion and culture of the Greek family. The methodology of this paper is based on in-depth interviews with leading members of each family business. The interviews were based on the expected future developments (scenarios). Survey results show that a) the problems mentioned in the international literature as the main problems of family business occur also in Greek family business, b) there are some peculiarities due to the socio-economic system, the prevailing business culture and the family business, which relate to the succession process, the unstable tax environment, the low extraversion of SMEs and the existence of forced and self-made entrepreneurship in Greece.

Keywords: *Family business, entrepreneurship, SMEs*

1 Introduction

Research carried out on family businesses in Greece is very limited. There are many individual reports as well as reports by independent institutions presenting survey results. These results have occasionally handled with Greek family businesses. They all conclude that the vast majority of enterprises in Greece (over 80%) are family business (Grand Thornton, 2006; Industrial Chamber of Athens, 2010; PWH, 2010).

Regarding the size of the family business, there is an assumption that the Greek family businesses are SMEs, especially small and very small firms. This assumption is based on general statistics about entrepreneurship, indicating that there are more than 770.000 businesses in Greece, employing 1-10 employees and comprising more than 98% of total Greek business (SMEs in Europe, 2008; ESEYE, 2011).

According to the existing literature on family businesses it is not clear if family businesses in Greece face the same problems as the family businesses in other countries. More over, we do not have clear information on whether and how the Greek socio-economic system, the prevailing business culture or the structure of the Greek family affect the structure, the development or the every day's operation of the Greek family businesses.

The motivation to carry out research on Greek family businesses has a dual purpose to investigate a) if family businesses in Greece face the same problems as the family business in other countries, b) if they have been affected in a special way by the social-economical development model of the Greek economy, as well as by the notion and culture of the Greek family.

In this paper, based on a primary research, we make the attempt to link the reported problems of family businesses in the literature, to those faced by family businesses in Greece.

2 Literature review

A systemic approach to family business research started in the 60's. The family business is a composition of two overlapping and interrelated subsystems. Because of the overlapping the same people, family and business members, incur obligations to both subsystems (P. Davis, 1983; Kepner, 1983). The problem is to find a strategy that simultaneously serves the needs of a) individual family members b) of "family system" c) of "business system" (Whitesite & HerzBrown, 1991; Gersick et al., 1997).

The two cycle model evolved in the '80s to a three cycle model. The new subsystem is the acquired property. Any family member owns part of the property-ownership patterns, may influence company decisions (Lansberg, 1983).

The family business system has not been examined as a "dynamic" system which is in interaction with other external systems. An answer to this reflection was given through the Open-Systems Approach. According to that the "family business" is a system composed of several subsystems and simultaneously the "family business" itself is a system that is a member of the great economic and political system (Pieper et al., 2007). The environment consists of the company's customers, competitors,

suppliers, the state and other social institutions and organizations. Some researchers argue that current research omits the “human” in the study of family business. Also Zahra emphasize the “human factor as a module in family business”. Everyone involved in the family business, founder entrepreneur, simple family member, future successors or “administrative staff non family member” affects every subsystem in a unique way and may simultaneously belongs to more than one subsystem. (Zahra et al., 2006)

Another key parameter which preoccupied the researchers was the “business culture”. For the family business the concept of business culture is complicated. The company's founder is a primary creator of the business culture of the family business (Barney, 1986). Because of the dominant role of the founder his/her personal values and incentives are key factors of the configuration of the business culture. This does not happen only during the first years, but also when the business passes to the next generation (Denison et al., 2004). Dyer acknowledged four different types of business culture in the family business a) paternalistic, b) liberal, c) participatory and d) person-centered (Dyer, 2003).

The interaction of several sub-systems and individuals in the “family business” system can cause particular problems (Denison et al., 2004). Neubauer and Lank (1998) have grouped all the particular problems into four major categories a) strategy, b) governance, c) intra-business and intra-family controversies and d) successions problem.

A. Strategic plan in family businesses

Strategic plan is by Kefalas (2008) defined as an informal plan that exists in the founder’s mind. It is not communicated to all stakeholders of the company, rarely applied methodically and even more rarely formally maintained.

According to Bhalla the strategic decisions there are only a few strictly economic and business issues taken by the family business. The family business is trying to build or its strategic decisions a unique business culture, based on a common vision of all members (Bhalla et al., 2006). The personal character of the administration and the emotional involvement of the owners in strategic planning maybe have a negative affect by the implementation of targeted strategies, affecting the financial figures of the company (company’s profit in relation to the competition, sales figures, etc.). (Koufopoulos et al., 2011) For an understanding of strategic planning in family businesses, Pieper and Klein, suggest a model of four theoretical approaches. The purpose of this model is to understand the progressing process of the strategy in family businesses and what is produced as a result of it (Pieper & Klein, 2007). The four approaches are:

- 1) Moral/ethical values. The basic moral values of the family assimilated by the younger generations diffuse in family business and form the basis for decision making. Strategic decisions and tactics tend to be heavily influenced by the fundamental family values.

- 2) Roles. The interaction of the different roles of each member in a family business is a key feature. If the roles are not clear people find it difficult to work constructively and to participate in a unified strategy for the business.
- 3) Arena (the place of the meetings and decisions). Strategic decisions but also less formal and important decisions in family firms are made not only in professional business offices but they also are extended at home.
- 4) Rationality/logicality. The interaction of the systems “family” and “business” and the simultaneous existence of strong emotional ties infuse the decision making process with more emotion than logic.

Concluding we pose our Hypothesis:

Strategic plan is an informal plan which is based on the founder's vision; nonetheless strategic decisions and tactics tend to be heavily influenced by the fundamental family values, strong emotional ties infuse the decision making process with more emotion than logic.

B. Governance

Suarez and Santana-Martin define governance in family business as "capitularies and mechanisms aimed to determine the relationships within the family and the relationships between the “family” and the “business”. The capitularies and mechanisms formulate specific roles for each member of the family associated with governance, enhance the effectiveness of the management team, stimulate the same vision of the family and effectively assist in resolving any disputes (Suarez & Santana-Martin, 2004). In family businesses, there is a large turnout of family members in the governance process. Creating an informal family council is very common. It is very useful especially a) when the family business is still in its first generation, b) future successors have an applicable age and c) future successors begin to show interest in the company (Neubauer & Lank, 1998). Through “informal family councils” messaging to the next generation are communicated regarding the vision and values of the family business as well as methods of administration (Ward, 2010). According to Kets de Vries et. al., (1997) the family council should be a continuous and more organized process. Existing research shows that many family businesses are a source of innovation at the beginning of their life cycle but later on most of them show reluctance and fear of change and follow conservative strategies (Shepherd & Zahra, 2003). Possible reasons for this is that some owners maintain control for a very long time leaving no room for administrative renewal, the fear of possible failure and the close relationship of the family property with the family business (Zahra, 2005).

Concluding we can pose the Hypothesis:

There is a large turnout of family members in the governance process. Governance is effective when members have specific roles based on commonly accepted capitularies and mechanisms. Creating an informal family council is very common.

C. Conflicts

Existing literature refers, that within the family business there are many conflicts, mainly due to the fact that there are two interlocked different systems, “the family” and “the business” The characteristics of these two systems are in conflict with each other. Based on the dipole “Business-Family”, inside of the family business lurks a default conflict (Kefalas, 2008).

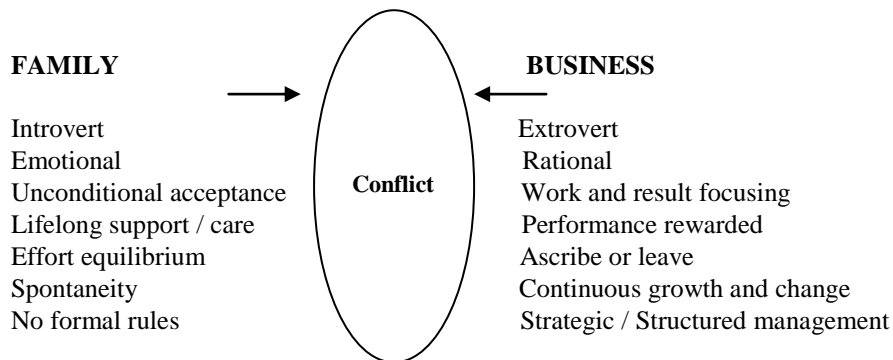


Figure 1. The conflicting roles of family and business (based on Kefalas, 2008)

The family operates according to some rules, which can be formal or informal involving sentimentality. Intense emotion in the family can bring many negative effects on business (Levinson Harry, 1971). The lack of organizational structure in management is also a source of conflicts because as a result the roles among the members of the family business are not clear (Grote Jim, 2003). The causes of conflict in family businesses can be different from company to company. We first look at the conflict areas, where the main causes occur. These areas are:

- 1) Control. Most conflicts in a family business concern issues of control and management of the company (Grote Jim, 2003).
- 2) Business goals against family’s objectives (Bedeian et al., 1988).
- 3) Preparations of the succession plan (Grote, 2003).
- 4) Wage levels (Bedeian et al., 1988).
- 5) Levels of ownership (Levinson, 1971).
- 6) Acquisitions of property between members (Bedeian, 1988).
- 7) Future business strategy (Grote, 2003).
- 8) Equal responsibilities and duties but unequal offer (Hubler, 1999)
- 9) No right of dismissal, regardless if someone gives / offers or not (Kefalas, 2008),
- 10) Different work style and different Lifestyle among members (Levinson, 1971).
- 11) The role of relatives by marriage (Bedeian et al., 1988).

Conflicts exist in all these combinations because there is more emotion and less business logic involved. Researchers suggested occasionally some ways to prevent or manage the conflicts. (Grote Jim, 2003). Suggestions identified in the literature are:

- 1) Separating the problem from the person.
- 2) Positive attitude towards things.
- 3) Mutual respect between the members and the existence of the habit of discussing problems and allowing every member to express his/her opinion openly.
- 4) Compromise in making key decisions.
- 5) Encouragement and creation of written and oral communication.
- 6) Statutory family gatherings or councils at specified intervals or on specific important issues.
- 7) Written management code.

Concluding we can pose the Hypothesis:

In family business there exist conflicts between family members due to the coexistence and interaction of the two sub-systems "family" and "business". Conflicts exist in several combinations because there is more emotion and less business logic involved.

D. The successions process

Family businesses worldwide have large failure rates of transfer to future generations. One of the most important factors that can influence the future and longevity of a family business is the process of selecting a successor. Beckhard & Dyer (1983) found that 70% of all family businesses are sold or liquidated after the death or retirement of their founders. In total Gimeno et al (2010) similarly found that 70% of family firms cease their activity during the transition from the first to the second generation and only 15% of the family businesses survive until the third generation. The younger family members who decide, among other career options, to join the family business are driven by a sense of need or desire which is called "commitment to the family business» (Sharma & Irving, 2005).

According to the researchers we find four different levels or types of family business successor's commitment, namely:

- 1) Affective commitment (wish). The successor with affective commitment accepts fully and feels loyalty and enthusiasm about the business objectives (Meyer & Allen, 1991)
- 2) Normative commitment (must). The commitment is driven by a sense of duty and obligation towards family and business (Stewart, 2003).
- 3) Calculative commitment (profit). The commitment is stimulated by the economic and social rewards offered by the company (Sharma & Rao, 2000; Sharma & Irving, 2005).
- 4) Imperative commitment (need). The successor believes that he/she will not be able to work efficiently outside of the family business and therefore he/she feels that his/her career in the family business is the only realistic option (Cannella& Shen, 2001).

Many researchers believe that a succession design itself is not enough to ensure a successful succession in a family business. The preparation of succession should be a continual and lengthy process. The goal is not only the short-term successful

transition to the next generation. Future functioning is also an important goal (Astrachan, 2001; Murray, 2003). All social, economic, legal, ethical and strategic dimensions, that influence the succession process, should be taken into account over time (Sten, 2001). Lambrecht and Donckels (2006), created the ideal path which must be followed over time for a successful succession. They consider that key factors are the business, the family and each family member separately as a person actively involved in the business or not. These three entities should interact, influencing each other in contributing to strategy and shaping moral values. The first step requires that the younger members of the family must have contact with the business. The second step should ensure the best possible education of the successor by academic education, experiential training (on-the job) and training in other companies. Finally, in the third step the formal involvement of younger members of the family is done gradually, beginning from the lowest possible position in the family business (Lambrecht & Donckels, 2006).

A similar approach to successful succession in steps was referred by Kefalas (2008), who considers that succession is basically an issue of individual choice of the founder of the family business. The steps proposed by Kefalas for a successful succession process are three: Step one "Values transfer". Building successor's personal character and clarifying the principles of business. Second step "Management transfer". Third step "Property transfer". Kefalas conclude that the succession to the next generation is a long complicated process and not just an event (Kefalas, 2008).

Concluding we can pose the Hypothesis:

Family businesses worldwide have large failure rates of transfer to future generations. The most important factor is the process of selecting a successor. It must be designed and prepared in steps, in a continual and lengthy process.

3 Research methodology

The study reported in this paper used a qualitative research methodology comprising in-depth interviews with leading members of each family business. The interviews were based on the expected future developments (scenarios) of the family business. The target group consisted of Greek medium and small family businesses, where the total number of employees is less than 50. The interviews were conducted in 30 family businesses of Northwest Thessaloniki, from 01/10/2011 until 31/03/2012. The characteristics of the family businesses interviewed are:

1. the majority of the adult family members are employed in the family business
2. the management of the company is practiced by the members of the family.
3. the income obtained from the family business is the main financial source for the family.
4. the members of the family have inherited the business from previous generations or in case they are the founders themselves, they have explicitly stated their intention to transfer the business to future generations.
5. the business is running in the Prefecture of Thessaloniki.

The method of gathering the information was based on personal in-depth interviews with leading members. The interviews were structured and based on a core of questions defined and justified after a pre-testing stage including interviews of three family businesses. The interviews were based on expected future developments (scenarios). The scenarios were chosen based on two criteria, namely a) the literature review b) expected future developments.

This methodology (personal in-depth interviews based on the above scenarios) is chosen as Wilson (2006) puts it to achieve higher acceptance from the interviewee, easier explanation of fuzzy questions, and finally possibility of further analysis of the scenarios.

4 Empirical analysis

Findings
<i>Strategic plan</i>
H: 1 <i>Strategic plan is an informal plan which is based on the funder's vision; nonetheless strategic decisions and tactics tend to be heavily influenced by the fundamental family values, strong emotional ties infuse the decision making process with more emotion than logic.</i>
<p>Strategic plan, an unknown concept</p> <p>The strategic plan is a concept, unknown to the vast majority of Greek small-medium family businesses. It does not exist neither as a written instrument for operation and development, nor as a tool for sharing responsibilities among the members of the family business. Usually, there are only individual goals, which are determined by current market situation (eg. sales targets, new product(s), new customers etc.). The goals are usually short-term and they are strongly influenced by the general climate of the economic crisis, which include lack of information and alternative solutions.</p> <p>The strategic plan exists in the mind of the manager, who is usually the founder of the family business. He/she discusses it in general with the main company's members (spouse, older children). The discussion concerns mainly the question: what are we doing now? Generally, there is a lack of methodical application of measures, based on a specific plan. As the main causes of this situation we can mention:</p> <ol style="list-style-type: none"> a) The owner's involvement with the everyday problems. He/she spends time dealing with everyday problems. The future design is delayed as a consequence of that the fact that today's problems are considered to be more important than the future ones. b) The lack of knowledge and fear of failure. The small-medium business owners do not have the necessary knowledge to develop a medium term or a long term plan. After the creation of wealth, they are fear of firing at risk the total family achievement. <p>Some important decisions are often taken under the influence of emotional charging. This study identified some reasons for emotional charging in strategic decisions, as</p>

follows:

- a) when a decision has to be taken about the participation of a family member in the business, the future prospective and evolution of their children in the family business is taken seriously into consideration. If the family business is struggling for survival the parents may consider that a career outside the family business will be a better choice for the child. In general Greek families are very protective towards their children and most of the parents engage to a very high degree into the future career choices of their children.
- b) when, in difficult financial situations, they are forced to mortgage personal assets of family members, especially when they predate the founding of the company,
- c) when the enterprise's assets or the prosperity and reputation of the family could be staked.

Governance

H: 2 *There is a large turnout of family members in the governance process. Governance is effective when members have specific roles based on commonly accepted capitularies and mechanisms. Creating an informal family council is very common.*

Family council, an informal tool for decision making

In this study we found that the strategic or important decisions are taken, at a rate greater than 60%, from the company's founder. He/she is supposed to understand the challenges better than anyone else in the business. The founder also is more aware of the future goals of the family business than anybody else. In most of the cases the founder discusses the problems with the main company members, but he/she always makes the final decision. In the remaining 40% of companies there exists a family council. Its role is advisory. It can be characterized as an informal tool, because it does not operate in accordance with predetermined procedures, but usually spontaneously. It contributes more to coil all the family business members around the common goal. In very few cases (7%) and only in larger business, the final decisions are taken based on the majority principle. There are also very few cases where the final decisions are taken by non family members.

There is a continuous interaction between the subsystems "business" and "family". The problems of the company are transferred to the family and vice versa. This is because the same people have dual roles in the family and in the business. It is very difficult to make a clear distinction. The testimonies of the interviewees are very characteristic. "When we gather on Sundays for lunch the two brothers (the two main shareholders) continuously talk about the business". (Spouse not working in the business). "At work I can chat with my kids about all kind of subjects. When I go home I'm very tired and I have to do the housework" (Mother working in family business). "Things at work are running very fast. Sometimes we have no time to think about the work" (Woman, owner of a family business). "I see my mother more at work. In my spare time I want to be with my friends" (Daughter working in family business). "At home in the evening I have the ability to calm down and put things in order" (Man directing a family business, second generation). "In the office everyone

is expecting something from me and the phone rings all the time. At home I have the peace to think better” (Man managing a family business).

The workplace tends to be the place where current daily chores are processed. All interviewees consider their daily tasks to be very important and devote most of their time for them. When business functions are clearly distinct, members decide for strategic or other important issues within the workplace.

On some issues there may be strict rules for operation. This research identified the following:

- a) cash-flow management;
- b) reinvestment of funds;
- c) relationships with customers / suppliers;
- d) relationships with the state.

The need for economic decision making rules is during the economic crisis stronger than earlier since the owners are afraid of fast liquidation

Succession

H: 3 *Family businesses worldwide have large failure rates of transfer to future generations. The most important factor is the process of selecting a successor. It must be designed and prepared in steps, in a continual and lengthy process.*

“We have to do something for our children”

The process of selecting and preparing a successor seems to be a very important issue for Greek family business owners. In total 21 of the businesses interviewed reported that they have adult children who are more than 65%, employed by the family business to even periodically. Most of the Greek family businesses (more than 80%) have a succession plan. The high degree of preparation for succession is likely to be due to the uncertainty working environment in time of crises, but also to the high percentage of uncertainty avoidance index reported for Greece by Hofstede (2001). The expression all the interviewees stated is very characteristic, “*we have to do something for our children*”.

Additionally there are also some other important factors influencing the succession planning. Over the last thirty years, there have been significant changes in Greece in the sector of Higher Education (HE). Today it is easier for the younger generations gain entrance to HE, compared with their parents (currently 50-60 years old) who had very limited opportunities. Today's parents want to provide an opportunity for their children to have good education, because they believe that in such a case they will be better equipped for their future career choices.

By the question if children's studies are relevant to the company's subject two trends were distinct, namely:

- a) The larger the company, the more distinct are the business functions, leading to a higher possibility to attract new family members of the new generation to engage in the family business. Results from our study show that more than 70% of the family's children study something related to the company's subject.
- b) When the business is small, it is not taken for granted that it can ensure the future career perspective of all the children within the company. In such a case some of

the children follow different studies in a proportion of more than 55%. The business take care of the educational cost and the start up of the career of these children. It also was observed that a large percentage of the children's education (80%) is relevant to the subject of business when particular expertise is required (eg. confectionery or pharmacy) and when the company has good growth rates. By the question to the parents "with one position do you think is good for your children to start their career in the family business, when they have finished their studies", we had four different levels of answers, namely

- a) starting from the lowest level - 34%;
- b) starting with few responsibilities - 26%;
- c) managerial position with increased responsibilities - 18%;
- d) managerial position with decision-making power together with the founder - 22%.

Conflicts

H: 4 *In family business there exist always conflicts between family members due to the coexistence and interaction of the two sub-systems "family" and "business". Conflicts exist in several combinations because there is more emotion and less business logic involved.*

"It is impossible that there are no conflicts"

- a) About the existence of conflicts within the Greek family businesses, is important to mention that nine out of the ten interviewees, when they heard this question smiled and said characteristic: "*It is impossible that there would be conflicts between the members*". They seemed to address the conflict's issue calmly and positively, because this is a part of their daily routines. They show receptivity for the conflicts and they try to overcome them, based on the good relationship that obviously exists between the family members. "*The love between us is unconditional nobody is going to hurt another family member*". About the factors that can cause conflict, we found that these are the following:
 - a) The more obscure and ambiguous the power, job-roles and the responsibilities are, the more it is likely that there are some conflicts, due to the existence of informal multi-stakeholder governance. "*Sometimes we entangle in each other's work and this leads to conflicts*".
 - b) The generational gap that obviously exists in all sectors nowadays is enhanced by the adaption of innovative elements, such as the use of Information Technology (IT) and marketing, which the new generation easily adopts. The first generation must first be convinced of their usefulness in order to allow for their implementation. "*He (the founder) became more receptive only when he saw that the problems are solved*".
 - c) Root cause of conflicts is the involvement of the parents in the business, although the process of succession is already completed. "*Even now he wants to have the control, because he feels more useful*".
 - d) The level of wages is not a major cause of conflict, when all the company's members come from the same family. The company ensures that any conflicts can be set-

tled in a "fair" way. But when the business members come from more than one family, especially when the second generation enters the business, strong conflicts can be created. The main causes are the different levels of education and training of new members and the claim for jobs with different responsibilities.

- e) When the founder applies an authoritarian management model, children cannot easily accept their father/mother as a strict employer. In these cases everyday issues can be a cause of conflicts.

Greek socio-economical business environment.

H: 5 *Family businesses in Greece face particular problems due to the Greek socio-economical business environment.*

We asked all respondent family businesses if they face other significant problems. We gave, in this point, the opportunity to the interviewees to respond freely about anyone other issues which they consider to be important. We received answers about problems which do not solely relate to family businesses, but which are important for the general business climate. Because the study was carried out in a time of economic crisis, inevitably a lot of reference to the crisis were made such as:

- a) Family firms were considered to be more resilient to the economic crisis (also confirmed by Piraeus Traders Association, 2009).
b) The massive entry of large multinational companies, which afford strong brand names in the market, was perceived as a potential risk for SMEs.
c) The massive imports of cheap products from China were perceived as a potential risk. Problems that can be characterized as specific to Greek family businesses, were reported as follow:

a) *The unstable tax system in Greece*

Although it applies to all Greek companies, in the case of family businesses it is particularly important. They are taxed during their operation in a unique triple way, as company's turnover, as individual income and as property. More pronounced are the taxation's problems by the transfer of the business to the next generation, especially regarding its assets. The managers of family businesses are confused because they are facing three different tax situations, without knowing in advance which is favourable
a) when the assets are owned by the company
b) when the assets are owned by family members
c) when the firm uses only rented assets, and family members create assets outside of the family business. The Greek family business owners trying to position their company to acquire its own facilities, because they believe that this is a competitive advantage, but after many changes to the tax system it can be proven that it is not favourable. The main problems arise when the company and all its assets are transferred to the second generation. In this case the number of tax law changes may incur further the family business.

b) *Self-created entrepreneurs, necessity (push) entrepreneurship*

There is an overwhelming majority (over 55%) of self-created entrepreneurs. They started their own business due to an unstable working and business environment, mainly in the decades of '70 and '80. These entrepreneurs founded their business because of the need to find a job for themselves and for their family members. It was

a “necessity entrepreneurship” not an “opportunity (pull) entrepreneurship”. They usually had a low level of education and they were prepared to deal with any business subject, they believed to be profitable. In the 90's the business environment had improved significantly. Young people with good education created “opportunity (pull) entrepreneurship”. Today, unfortunately, the economic environment is very unfavourable. Necessity (push) entrepreneurship is prevalent. The creation of small family businesses or the retaining of young people in existing family businesses is almost a unique employment solution for the new generation.

c) Low extraversion

Regarding the level of extroversion in the Greek family business, we observed that:

- 1) Innovation is absent from all enterprises of our study
- 2) The search for new markets is a constant challenge. The tool which usually is used is internet searching
- 3) The export rate is limited.
- 4) There is no knowledge of marketing tools. Marketing is limited to very basic things.
- 5) The use of external consultants is almost nonexistent.

The reasons for the low extroversion are mainly the small size of the company, the lack of knowledge regarding innovation and the use of marketing tools, as well as of the low availability of funds.

5 Conclusions

Following the above analysis, the hypothesis, that the Greek family business faces the same problems as family businesses in other countries, is verified. These problems have been mentioned and analyzed extensively in the international literature. Our findings contribute and verify as follows:

1. Regarding the strategy, we found that the role of company's founder is determinant for the Greek family business. There is no a clear strategic plan in the Greek family business, which can motivate all its members. The business plan rarely works as a tool of written rules. It exists in the founder's mind, who maybe discusses it in general with the main company's members (spouse, older children), but the founder almost always takes the final decision. Many times some important decisions can also be taken under the influence of emotional charging.
2. As regards the administration and the daily business operation, our study shows that there are clear rules of operation only on certain issues, such as treasury management, relationship with customers and relationship with suppliers. The role of these rules was reinforced by the recent economic crisis. The family council is, for the vast majority of family businesses, an informal advisory body. The place where decisions are made can be both the workplace, and the home.
3. About the conflicts between the members we have found that in Greek family businesses there are similar conflicts within family businesses asin other

countries. The main factors that cause these conflicts are the following order of evaluation.

- a. The ambiguity of the distribution of power, job-roles and responsibilities of the members, which leads to multi-stakeholder management
 - b. The generation gap which is enhanced by the ability of the new generation in using new technologies and marketing tools.
 - c. The involvement of the first generation in company's control, even if the succession process has been completed.
 - d. The wages level. This became to be more important in case there are members of more than one family in the business.
 - e. When the founder applies an authoritarian management model, children cannot accept their father/mother as a strict employer.
 - f. Some everyday's issues can also be a cause of conflicts.
4. On the issue of succession we observed that especially by the Greek family businesses, succession is a process that is systematically prepared. The education of the children is largely related to the company's subject. The children are employed by the business, even occasionally when they study. This succession's preparation is a peculiarity of the Greek family business due to the unstable work- and business environment. "To create something for our children" is the main thought of first generation.
5. Some peculiarities of the Greek family businesses due to the socio-economic system of the country were identified, including:
- a. The unstable tax system. This affects the family business during its operation and by the transfer to the next generation.
 - b. The founders of family firms are self-created entrepreneurs. They founded their own business to secure work for themselves and for the members of their family. They operate more under conditions of "necessity (push) entrepreneurship" and less of "opportunity (pull) entrepreneurship".
 - c. There is a low level of extraversion by Greek family businesses due to the small company's size, the lack of skills in using marketing tools, and the low availability funds.

Generally, the Greek family business faces the same problems as the family business in other countries. Moreover they face some particular problems due to socio-economic system of the country.

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