Prosperity over time and across generations: the role of values and virtues in family businesses

Maria Jose Parada
ESADE Business School, Barcelona, Spain
Georges Samara
American University of Beirut Suliman S Olayan School of Business, Beirut, Lebanon and
IPAG Family Business Institute, Institute of Preparation for Administration and Management (IPAG), Paris, France
Alexandra Dawson
Department of Management, Concordia University, Montreal, Canada, and
Eduard Bonet
ESADE Business School, Barcelona, Spain

Received 30 November 2018
Revised 12 April 2019
Accepted 31 July 2019

Abstract

Purpose – Despite the great importance attributed to values in the family business, few studies have focused on their importance and on how such values influence the way family businesses behave over time. Using Aristotelian virtues as our main framework, the purpose of this paper is to understand what motivates both family members and business families to perform virtuous acts, therefore, observing the underlying beliefs at both levels of analysis that make individuals and families repeatedly behave in a way that reflects the pursuit of excellence of character.

Design/methodology/approach – The authors rely on a qualitative methodology, following an interpretive approach. Based on the narratives of family members from two Spanish family businesses, the authors abductively analyze how values and virtues in family businesses allow them to cope with changes that occur across generations.

Findings – Findings suggest that family businesses that have survived heavy crises have been able to overcome these critical moments in part due to their strong virtues – both at the individual and at the family level – where the so-called four cardinal virtues have been evident, for example, through the achievement of collective goals and adherence to a stated mission, as well as through behaviors that have been aimed at improving and benefiting the community.

Practical implications – Values are the basis for all businesses and their behaviors. Understanding the type of values, as well as the underlying virtues, that allow for prosperity across generations is important for business families to perpetuate those that allow the family business to thrive.

Originality/value – This paper contributes to the family business field by exploring a key understudied dimension that determines family business prosperity over time and across generations. It brings to the forefront values and virtues that are rarely studied in this setting despite their great importance, using narratives as a key element for value transmission as well as a research method that allows for deeper insights about specific processes.

Keywords Values, Qualitative research, Narratives, Family business, Aristotelian virtues

Paper type Research paper

Introduction

Family businesses have been consistently highlighted as examples of commitment to their communities and to the environment (e.g. Samara *et al.*, 2018). They have also been said to outperform non-family businesses in various domains such as financial (Anderson and Reeb, 2003) and environmental social performance (Berrone *et al.*, 2010), and

Journal of Organizational Change Management
Vol. 33 No. 4, 2020
pp. 639-654

0953-4814
DOI 10.1108/JOCM-11-2018-0341

generally to have a long-term stakeholder value orientation (Sharma and Sharma, 2011). Moreover, family businesses have been described as long-term oriented companies (Miller and Le Breton-Miller, 2005) that can survive over time when they have a strong commitment toward transgenerational succession.

One key element that stands out in the aforementioned distinctiveness and sustainability of family businesses is represented by values (Fletcher *et al.*, 2012). Values shape the way family businesses develop their identity, and the way they behave toward various internal and external stakeholders (Marqués *et al.*, 2014). Despite the great significance attributed to values, few studies have focused on their importance (Denison *et al.*, 2004), and on how they influence the way family businesses behave over time. A central question then is how these values "are characterized in family firms and how they shape organizational practices" (Fletcher *et al.*, 2012, p. 127).

In this study we approach values through the lens of virtues, which are "acquired human qualities, the excellences of character, which enable a person to achieve the good life," and allow individuals to cooperate with others to achieve their collective goals (Mintz, 1996, p. 827). We do so because it has been suggested that "whereas virtues […] represent individual qualities that can be enacted upon, values denote what virtues are valued as most important" (van Dijk *et al.*, 2012, p. 80). Whereas values are enduring but may nevertheless change over time (Parada *et al.*, 2010), virtues are stable (van Dijk *et al.*, 2012).

Specifically, we draw on Aristotelian virtues, seeing that Aristotle is one of the most influential philosophers in the field of ethics, in particular with his Nicomachean Ethics, and his work has withstood the test of time (Polansky, 2014) by laying the foundations of the classical tradition of moral thought (MacIntyre, 2013). In his work, Aristotle wrote that human beings have a specific nature, which leads them to have specific aims and goals (or *telos*). Virtues are therefore seen as a means to achieve a state of "being well," or *eudaimonia* – corresponding to happiness or prosperity (MacIntyre, 2013).

We explore the four cardinal virtues: prudence (practical wisdom), courage (perseverance, braveness), temperance (self-control, moderation), and justice (fairness), to understand how they work in practice (Beadle and Moore, 2006). We aim to understand what virtues drive behavior and how they allow family businesses to achieve and sustain business excellence over time and across generations. Our study shows that a blend of the four Aristotelian virtues must be present. By improving our understanding of the underlying character traits (i.e. virtues), we can shed light on individuals' enduring beliefs, which serve as guiding principles for behavior (i.e. values).

In order to perform our study we rely on qualitative research based on an interpretative paradigm. In particular, we rely on narratives as important rhetorical devices (Flory and Iglesias, 2010) that managers use to disseminate information about processes and relations (Dawson and Hjorth, 2012), and are essential vehicles for values transmission (Parada and Viladás, 2010). Our findings suggest that family businesses have been able to overcome critical moments in part due to their strong virtues – both at the individual and at the family level – with the four pillars being present, for example, through the achievement of collective goals and adherence to a stated mission, as well as through behaviors aimed at improving and benefiting the community (Mintz, 1996).

This paper contributes to calls to explore the role of values in achieving and sustaining family business survival over time and across generations (Fletcher *et al.*, 2012), by unpacking how underlying virtues allow family businesses to navigate through difficult times, and through the changes that inherently occur across different generations (Sharma, 2004). Moreover, this paper offers valuable insights to practitioners by shedding light on how values and virtues embedded within individuals and business families allow family businesses to thrive, particularly in times of crisis.

Literature review

Family businesses are characterized by the presence of a family influencing the strategic direction of the company via its involvement in ownership, governance and management. The presence of the family entails the transmission of a specific set of values that determines the behavior of the organization, developing a unique culture over generations, usually distinguishing the family business from other types of organizations, and creating a competitive advantage (Aronoff, 2004).

Values in the family business

Values are enduring beliefs (Rokeach, 1968) that serve as guiding principles for individuals and groups (Schwartz, 1992), delineating the desirability of alternative actions (Schwartz, 1992). Values respond to the questions: "Who am I?" and "How do I interact (with others)" (Ayerbe, 1995). In a family business context, values are perceived as explicit or implicit conceptions of what is desirable for both the family and the business (Hall *et al.*, 2001). Indeed, defining the guiding family values has become an increasingly important governance practice in family businesses (Parada *et al.*, 2010).

Values are considered an element of distinctiveness, a key resource for overcoming family and business crises, and a tool to provide guidance for decision making, particularly in times of uncertainty (Fletcher *et al.*, 2012). Values shape the way family businesses behave, develop their identity, their attitude toward internal and external stakeholders (Marqués *et al.*, 2014) and their business strategy (Aronoff and Ward, 2011) – explaining why some family businesses perform better than others (Marqués *et al.*, 2014). Successful family businesses rely on strong values, embedded in the emotional bonds developed by their members, their blood ties and the history they share (Aronoff and Ward, 2011). Values are credited for being a keystone in the way families manage their business and their survivability over time, however, few studies have focused on how values "are characterized in family firms and how they shape organizational practices" (Fletcher *et al.*, 2012, p. 127). As values are acquired, albeit not necessarily practiced, we approach values through the lens of virtues which, by definition, must be practiced and expressed through behavior (Ciulla, 2004 cited in Hackett and Wang, 2012).

Aristotelian virtues

We study values through the lens of virtues because virtues are individual qualities that human beings act upon, whereas values represent the most important virtues (van Dijk *et al.*, 2012). Hence, by focusing on virtues in our study, we are able to explore in depth the heart of family business values. Virtues are defined as character traits (Moore, 2008; Payne *et al.*, 2011), capacities and dispositions for action (habits) (Aristotle, 1985), based on qualities and excellence of character that humans develop, enabling them to "achieve the good life" (Mintz, 1996, p. 827). Virtue stems from the word "vis" which means force, power, strength, or what is best in human beings (Sison and Ferrero, 2015).

Virtuous character is developed over time, as individuals cultivate certain habits by repeating virtuous actions (Sison and Ferrero, 2015). Individuals are proactive in intentionally and deliberately performing these actions (Aristotle, 1985, p. 1111a). Moreover, Sison and Ferrero (2015, p. 81) state: "The moral goodness, excellence or virtue of a human act requires the integrity of all three – the object, the agent's intention or end, and the circumstances." In this way, family business members, who have developed a strong sense of purpose and a clear target direction, are able to overcome political and economic crisis circumstances that can typically threaten the survival of their business.

Specifically, we draw on Aristotelian virtues and explore four cardinal virtues: prudence (practical wisdom), courage (perseverance, braveness), temperance (self-control, moderation), and justice (fairness), to understand how they work in practice (Beadle and Moore, 2006).

Our aim is to understand what motivates both family members and business families to perform virtuous acts, therefore, observing the underlying beliefs that make individuals and families repeatedly behave in a way that reflects the pursuit of excellence of character.

Prudence. Prudence is defined as practical wisdom to act in accordance to a set of rational choices derived from the right reasons to act in a certain way given the specific context and situation (Melé, 2003). It may be considered as the most important virtue, because all acts of virtue are likely to require prudence. Prudence usually develops with age and experience, allowing individuals to understand what is relevant in each situation and in different contexts (Hursthouse, 2013).

Longest enduring family businesses are known to behave in a prudent way and this allows them to achieve continuity and disciplined growth, transcending beyond desires for pure profitability (Brenes *et al.*, 2011). Prudence drives family businesses in their choice of goals and organization of resources (Gallo and Kenyon-Rouvinez, 2005), and compels them to monitor cautiously the amount of debt they take on (Gallo *et al.*, 2004).

Courage. Courageous individuals develop habits that lead to perseverance, braveness and integrity (Crossan *et al.*, 2013). Bravery is observed when individuals show risk-taking behavior, heroism, boldness even in adverse circumstances (Park and Peterson, 2006), leading to individual, team and organizational performance (e.g. Judge and Piccolo, 2004). Leadership theories suggest that leaders need courage to act and defend what is right while trying to satisfy competing values and expectations (May *et al.*, 2003).

Within the Aristotelian understanding of courage, integrity plays a fundamental role in courageous behavior (Peterson and Seligman, 2004). Integrity has to do with consistency between actions and words (Palanski and Yammarino, 2009), which in turn develops trust among multiple stakeholders involved in the business (see Peterson and Seligman, 2004, for a review). Integrity is of high importance for leaders especially because they are often referred to as role models and because people learn values of the organization from their leaders' practices (Hambrick and Mason, 1984).

Family business owners and leaders require courage in order to move toward new (and sometimes ambiguous) directions (Aronoff and Ward, 2011). Successful family businesses have a common priority: command, or "courageous governance," meaning that they allow managers and boards "the freedom, knowledge, and incentive to invest for the long run." (Miller and Le Breton-Miller, 2007, p. 29).

Temperance. Temperance is a virtue that includes humility, openness to new ideas, love of learning (Vera and Rodriguez-Lopez, 2004), forgiveness and self-regulation (Crossan *et al.*, 2013). Individuals with temperance behave in a calm way, with clear thinking, respond to adverse situations in a reasonable way, and have the ability to solve problems thoughtfully (Seijts and Gandz, 2018). According to Aristotle, temperance implies controlling emotional reactions to pleasure and pain, and the "temperate person's appetites are for the right things, in the right ways, at the right times, which is just what reason also prescribes (1119b15-20)". In current research, temperance is defined as a positive character trait reflecting control of the desire for instant (Sison, 2003) or self-gratification (Wang and Hackett, 2016).

In family businesses, family members who have a strong sense of responsibility, together with loyalty – i.e. qualities that are related to temperance – can become stewards of the family and the business, especially when they are granted access to leadership positions (Simon *et al.*, 2012). In order to be successful leaders, family members must develop a flexibility to lead and to be led, to be tough and compassionate at the same time, and to be confident and at the same time display healthy humility (Foster, 1995).

Justice. The Aristotelian virtue of justice is defined as a disposition that underlies the respectful treatment of others (MacIntyre, 1984), where individuals "respect the rights of others and establish harmony in human relationships such that equity and the common

good are promoted" (Sison, 2003, p. 160). Justice has a similar meaning as the Confucian virtue "Yi" (Wang and Hackett, 2016). Justice includes ideals of fairness, leadership and citizenship (Crossan *et al.*, 2013). It implies setting up rules and regulations based on sound ethical principles that, when adhered to, will promote fair perceptions among family and non-family internal stakeholders (Samara and Arenas, 2017; Samara and Paul, 2019), for instance when treating conflicts of interest, assigning duties (Kohlberg, 1976) and allocating resources (Bragues, 2006).

In family businesses, especially during the succession process, an approach based on justice, e.g. setting up rules and regulations that grant the opportunity to the most qualified candidate to access leadership positions in the company, helps families preserve relationships among family members (Ayres, 1990). Justice becomes an important pre-requisite for achieving fairness perceptions, especially when discussing resource allocation decisions between family and non-family employees and among family employees (Lubatkin *et al.*, 2007; Samara and Arenas, 2017; Samara and Paul, 2019).

Methodology

In order to perform our study we rely on qualitative interpretative research. This approach aims at answering how and why things happen in a specific setting. Our study sheds light on how virtuous business families are able to cope with organizational change and to sustain their success over time and across generations. Interpretive analysis is adequate for understanding family business nuances (Nordqvist *et al.*, 2009), especially when seen from an Aristotelian virtue perspective.

Data collection and data analysis

The cases we use in this study emerge from a larger data collection effort started by the Successful Transgenerational Entrepreneurship Practices (STEP) project in 2005. The aim of the STEP project is to understand transgenerational practices with particular focus on sustainability of entrepreneurial behavior across generations. The family businesses that are part of this project are carefully chosen to depict such practices, with the requirement of having endured for various generations. One of the critical constructs to be studied under the STEP framework is values, as they are considered to be a key element differentiating family businesses from other forms of enterprises and allowing them to build and sustain a competitive advantage.

For our study, we purposefully chose two of the Spanish family businesses that were part of the STEP project. The two cases provided rich information about values and we saw the potential to go back to the narratives to explore more in-depth the underlying virtues. One of the coauthors followed both companies for over 12 years. This allowed her to build a trusting relationship with the family and rely on a key informant, who was often willing to have further conversations. Both family businesses, one founded in the 1850s and the other founded in the 1950s were rich in showcasing the four virtues, how these virtues have been transferred, and how they have evolved along the family business's history. These cases exhibit how virtues allowed the two family businesses to survive and even thrive over time and, particularly, in times of crisis.

By analyzing two case studies, we are able to gain insights within each setting and across settings (De Massis and Kotlar, 2014) and to carry out a broader exploration of our research question and theoretical elaboration (Eisenhardt and Graebner, 2007). The two cases can be considered as "polar types" (Eisenhardt and Graebner, 2007), seeing that – although both businesses are based in Spain – they operate in very different industries: one (pharmaceutical industry) is mature, highly regulated, global, has high levels of technological change, and is driven by ever increasing innovation and R&D[1]; and the

other (hotels industry) has very strong growth, limited regulation, is quite regional (with most growth coming from emerging economies), has lower levels of technology change, and very low concentration with the top four players accounting for 4.0 percent of global market share (industry concentration is also low in pharmaceuticals but the top player in that industry accounts for 5 percent of market share)[2].

The fact that we followed these companies for over 12 years allowed us to have accounts dating from the foundation of the family business. We triangulated our results by, first, relying on transcribed interviews as the base for the interpretive analysis and, then, using secondary information such as corporate reports, books and family constitutions to draw our interpretations. Particularly, we relied on narratives, as they represent a form of interpretive approach through which we can "capture the specific complexity and dynamics unique to family businesses" (Nordqvist *et al.*, 2009, p. 294). Narratives are important rhetorical devices (Flory and Iglesias, 2010) that managers use to disseminate information about processes and relations (Dawson and Hjorth, 2012), they are essential vehicles for values transmission (Parada and Viladás, 2010), and they are useful for developing and understanding identities (Parada and Dawson, 2017).

We mainly relied on in-depth interviews with family members, complementing them with observations and secondary information as indicated above. In total, 12 Interviews were carried out between 2006 and 2008 and lasted between 1.5 and 2.0 hours each. We interviewed family members from different generations and with different roles in both companies six additional interviews and meetings were held with the key informants between 2010 and 2015.

We analyzed the data in an abductive way (Alvesson and Sköldberg, 2000). Going back and forth from the literature to the narratives, we were able to identify and interpret behaviors or events that we classified based on our theoretical framework based on the four cardinal virtues. As we analyzed the narratives, we saw that some of the events and behaviors clearly denoted prudence, a type of behavior that has to do with practical wisdom. Other behaviors showed the courage in the individual and the family whether through perseverance or braveness in the decisions they took or the path they followed. We observed that some behaviors could be considered as temperance, when they showed self-control, moderation or tranquility in making tough decisions or when facing a difficult situation. We also observed instances of justice, where the families made decisions based on their sense of fairness and their willingness to do good toward the community at large. After interpretation by one of the authors, the other authors also interpreted the data in light of the theoretical framework and inversely; in this process, we found high coincidences in our understanding and interpretation of the four cardinal virtues and the classification of behaviors by the business family.

The cases

Labor Co. Labor Co. was founded in the 1850s and operates in the pharmaceutical industry. Over five generations the firm has faced important strategic decisions related to the business model, governance structures, and challenges and opportunities emerging from the market and the environment. The firm has faced a civil war, the World Wars, Spain joining the European Union and the concomitant challenges of globalization in terms of changing dynamics from single country production to selling to a globalized economy in such a complex industry, as well as increasing regulation by the government. The changes that each generation has introduced have been supported by the resources and skills of the members of the next generation, namely based on their virtues as we will discuss in the findings.

The founder bought and developed a drugstore, i.e. a business that sold food products of all types, including pharmaceutical products. The second generation focused on the

pharmacy side, preparing and selling formulas and cures of all types. The third generation saw the birth of the global pharmaceutical industry with spectacular growth after the Second World War. Labor Co. evolved from being a single retail store to being a company that also produced and commercialized (in bulk or already bottled) pharmaceutical products to different points of sale. The fourth generation introduced research and development (R&D). The fifth generation changed the business model, converting the business into a related diversified firm reinforcing over the counter products (OTC) and generics.

As of 2018, the business is, for the first time in five generations, being run by a non-family chief executive officer (CEO), with a solid governance structure and sound systems and processes to support decision making. Diverse decisions were taken in different generations that can be observed in light of the underlying virtues that allowed the business to survive over such a long period of time despite difficult conditions. Nowadays Labor is considered a large company with a total of 700 employees. It has become an international diversified enterprise present in more than 150 countries all around the world, specializing in the health sector. With a turnover of around €200m as of 2018, 40 percent of revenues stem from the local market and 60 percent from the international market.

Fluss Co. Founded in the early 1950s, Fluss Co. is a hotel company that has retained its business model for three generations. The company started its operations with a small hotel on a beach and continued its growth and expansion by purchasing hotels in the same region. The second stage of its growth comprised the acquisition of land and hotel buildings. In total, 30 years later, it began its expansion to other regions in Spain and in, the early 1990s, its international expansion took off.

As of today, the family business is managed through a Co-CEO model formed by Sofia and Ben, two siblings of the third generation. After 60 years of existence the company operates over 100 hotels, with a turnover of more than €1bn. It is one of the largest internationalized Spanish hotel chains, with presence in various countries a continents.

The Fluss family legacy started with James Fluss, who was an entrepreneur from a very young age. He started several businesses, before entering the hotel industry. After a positive experience abroad managing a hotel, he bought a hotel on a Spanish island with his wife Linda. Both worked together in the hotel. James and Linda had a son, Peter, who started working with them at a very young age. Peter's wife, Sara, also entered the family business and together they worked to expand the business. Some decades later, their two children, Sofia and Ben, joined the company and then took over the business after Peter's death. The fourth generation is already in their 20s and 30s and most of them are involved in the family business.

Findings

In this section we illustrate our findings for each case study. These are summarized in Table I.

Prudence

Prudence has been present in both cases as a constant throughout their history. Defined as practical wisdom, prudence requires acting based on a set of rational choices (Melé, 2003). In this sense, virtuous acts based on prudence have allowed these families to overcome different challenges and seize opportunities, simultaneously ensuring the well-being of the family, of the business and of society.

In the case of Labor Co., prudence is exemplified by the family's choice to rely on a single family leader (for four generations) to bring the business forward. This decision was based on their core values: the first-born tradition, whereby the first-born son (daughters were excluded) inherited the majority of the business to help all other family members; and the

Virtue	Labor	Fluss
Prudence (practical wisdom)	Single family leader First-born tradition Younger siblings complement first born Start from the bottom New generation occupies positions left open by previous generation	Team based leadership Co-CEO model
Courage (perseverance, braveness)	Founder: buying business and partnering with a pharmacist; pruning the family tree (share buy-back) Following generations: growing the business through new areas or business units	Founder: starting business in isolated and unique environment (an island) Following generations: internationalization
Temperance (self-control, moderation)	Keeping a low profile during the War to ensure long-term survival of the business Incumbent generation willing to listen to and embrace new ideas	Founder was open to new ideas coming from, his family even though he did not necessarily agree with them Remaining calm and rational in the face of crisis (e.g. hurricane hitting the island)
Justice (fairness)	Changing generation-old tradition to exclude women from business	Ensuring year-round employment Sister invited to be co-CEO

Table I.
Cardinal virtues in the case studies

value of hard-work, which meant starting from the bottom of the business to get to know the "métier." The early immersion would allow the family leader to be better prepared to take over the company in the future, thus having the required knowledge and expertise to make sound decisions, and also having the responsibility to prove himself as a leader:

> One thing that the family had was the fact that the first-born entered the business at a very young age to practice and learn the business. Being the owner's son didn't mean you had it easy. On the contrary, he had to do the most difficult tasks. (Mr Labor – Gen 4)

Another key decision was related to the role of the younger siblings. In Labor Co. younger siblings were traditionally educated to complement the first-born's skills and to support him:

> [In Gen 2 and 3] the eldest entered the business with no business training at a very young age to learn from bottom up. But the other siblings were sent to school to learn about marketing, sales, or pharmacy to complement the skills of the leader […]. (Mr Labor – Gen 4)

In Fluss Co. prudence has been part of the family's philosophy as well, but in a very different way. While the family relied on the business leader, it also believed that working as a team, by taking advantage of each family member's core competency, could bring better results. In the first generation, for instance, Mr Fluss (Gen 1) was the entrepreneurial leader running the business, working hand in hand with his son Tim (Gen 2) who had big ideas about how to make the business prosper contributing with visionary leadership. In addition to the father-son team work, Mr Fluss (Gen 1) incorporated his wife into the business to work with her. When Tim got married, his wife also joined to work alongside him and his parents. They all worked well together, respected each other's spaces and engaged in proper task distribution that ended up being highly functional:

> My father handled everything related to strategy. My mother was in charge of housekeeping. Every morning at 6.00 am, she went to the hotels to assign work to the maids. My grandfather handled purchasing and technical services. His previous experience came in handy. My grandmother took care of everything related to sheets, tablecloths, etc., and made sure everything was nice and clean. (Roger – Gen 3)

In Fluss Co. the third generation replicated the team model, but in this case, the Co-CEOs were siblings who formed a successful team thanks to their complementary skills and

capacity to understand and support each other. In the third generation, prudence emerged when the siblings' father died, as the incoming generation was able to assess their skills and be aware of the potential to work, once again, in a team:

> We have always seen how my grandfather and my father worked well in tandem with my grandmother and my mother. When my father died, I was sure that my brother was going to run the business by himself, but it was he who asked me to be Co-CEOs because he believed that we could do a better job together, and I accepted. (Sofia – Gen 3).

Prudence is usually developed over time, as it emerges with age and experience, allowing to understand what is relevant in each situation and in different contexts (Hursthouse, 2013). This is what we can observe in Labor Co, with the roles family members took as they transitioned from one generation to another and the way they managed the business and the family. We can also observe the same in Fluss Co. with the way they decided to work in teams over generations:

> […] The first born [heir] had to start from the very bottom of the organization to learn the métier. […] From a very young age they [the boys in each generation] were already involved in the company. (Ben Labor – Gen 5)

> […] My grandfather built such long-term relationships […]. I guess because he was in the business for so long, he knew what he was doing […] And so do we […] We have maintained these relationships with our key stakeholders as they have trusted our experience for so many years showing good results. (Sofia – Gen 3)

Courage

A second key virtue that is evident in the two family businesses is courage. Courageous family members are willing to take risks, even in adverse circumstances (Park and Peterson, 2006), and show high levels of integrity and perseverance (Crossan *et al.*, 2013).

The case of Labor Co. shows how courage has been present in each generation. The founder was courageous enough to move at a very young age from a small village to the big city in order to pursue opportunities:

> At a very young age he [the great grandfather] decided to move to the city. Coming from a tiny village, he was brave and a hard worker, which allowed him to gain trust from his boss. (Ben – Gen 5)

By deciding to buy out the business where he had been working for several years, the founder took the risk to become an owner with all the responsibility that this shift entailed. In order to make the business grow, with a clear vision in mind, Mr Labor (Gen 1) decided to make a strategic alliance with a pharmacist who had technical knowledge, despite assuming the risk of being absorbed by an expert in pharmacy and other risks that emerge from strategic alliances:

> When he saw the benefits and potential of medicines, he [the founder] decided to do a strategic alliance with Mr Palmtree, which was the beginning of the pharmaceutical business. (Mr Labor – Gen 4)

The case of Labor Co. also shows high levels of courage among previous generations in granting future generations enough discretion to develop new areas or business units to make the business expand and grow. This has been possible thanks to the willingness of previous generations to allow next generations freedom to pursue their ideas:

> In the lab, my father gave me plenty of room, but where he didn't is in the administrative area; he didn't allow me into the commercial area. Little by little this situation changed. (Mr Labor – Gen 4)

> In the second generation my grandfather and his siblings internationalized the business thanks to James's ability to build strong relationships allowing them to obtain the first licenses to distribute foreign pharmaceutical products within Spain. (Mr Labor – Gen 4)

Mr Labor (Gen 4) was courageous when he decided to buy out his cousins because of the different interests and levels of commitment he perceived they had toward the business. These courageous decisions entailed family and business consequences (for instance assuming whole responsibility for the business, and/or possible family fights due to the buyout process) that family members had to face in order to pursue the buyout:

> My father, with initiative and drive, said "we have to move this thing forward." This purchase represents the company's survival. If he had not bought the shares, the dynamics of many cousins working together would have been too complex to manage. (Ben Labor – Gen 5)

In Fluss Co. courage is shown along the trajectory of each generation as well. The first generation was courageous enough to start a (hotel) venture in the middle of nowhere, after having a single experience abroad, a positive one of course. Mr Fluss felt that he had to take risks if he wanted to build something durable. He chose place with limited resources, beautiful landscapes and future potential to make the business grow:

> Honestly, I have never understood why my grandfather decided to go to this particular place, when Costa Brava was right by the border and the French used to drive down there in their cars. To go to an island, you had to take a boat, since air travel was not common at that time. This was a significant limitation. And yet my grandfather came here to see the Island, and ended up starting his business here. (Sofia – Gen 3)

The second generation went one step further and Roger (Gen 2) decided to create an alliance with a large company from a neighboring country to fill the hotels all year round. This was a major risk, first because the island's infrastructure was not ready for receiving so many tourists. Another major risk was related to partnering with a much larger company.

Yet, this was a key step for the family, as they wanted their employees to have full commitment to their jobs as well as continuous (rather than seasonal) employment. Thus, justice was also embedded in this courageous decision:

> Someone who works just six months out of the year and spends the other six months doing, say, construction work will never come to love either of their jobs or become a good professional in either one. This was my father's great struggle. (Sofia – Gen 3)

The third generation has taken the lead in internationalizing the company by moving to other locations and opening hotels all around the world. The risks they have assumed have been driven not only by courage but also by high levels of prudence, temperance and justice.

Family business owners and leaders require courage to navigate through new pathways (Aronoff and Ward, 2011). Both families have shown their command, by allowing family members freedom to lead and giving them the necessary support to develop the business and manage the family in a successful way (Miller and Le Breton-Miller, 2007).

Temperance

Defined as the capacity to control the desire for instant (Sison, 2003) or self-gratification (Wang and Hackett, 2016), temperance has also been present in Labor Co. and Fluss Co. In the third generation of Labor Co. Mr Labor (Gen 3) was struggling between growing and displaying his success during the War time, and maintaining status quo to keep a low profile and achieve long-term survival over time. His ability to postpone his self-gratification was key to survive a critical period in which many other companies failed due to the hard contextual conditions:

> My grandfather's period was marked by the fear of war, which led to a spirit of not wanting to stand out too much, to be reserved. Those are times that leave a mark forever. My grandfather's

> role, rather, was to transition, to keep the business running, which was not easy at that time, until my father was brought in. (Ben Labor – Gen 5)

Temperance in Labor Co. can observed in the willingness of family members to listen to new ideas, for instance when the third generation wanted to internationalize, when the fourth generation founded the first R&D laboratory, or when the fifth generation decided to completely change the business model dismissing R&D. These important strategic changes have implied high doses of humility and openness to new ideas by the previous generation that has had to accept and support ideas that were previously unconceivable for them (Vera and Rodriguez-Lopez, 2004):

> My father did not necessarily agree with our decision to shift the core business, but he accepted it and with great generosity told us to pursue our own pathway, if we thought that was appropriate. (Ben – Gen 5)

Temperance has been present in Fluss Co., where family members showed clear thinking, and were able to respond to an adverse situation in a reasonable way, solving the problem thoughtfully (Seijts and Gandz, 2018). For example, the third generation faced a crisis in one of the hotels when a hurricane hit their coasts causing severe damage, yet they showed high levels of temperance:

> When this happened we were so shocked and we had to react fast in a quick but calm way. What helped us was the fact that our employees were so brave and committed that this allowed us to take the decision to fly directly to the place to help, in-situ and rebuild the hotel very quickly after helping all our guests. (Sofia – Gen 3)

Justice. Justice in both family businesses has led the way these families have dealt with their stakeholders, treating people with respect and integrity (MacIntyre, 1984). Justice in Labor Co. can be particularly depicted in the fifth generation when the four siblings decided to include their sister, as a shareholder, as they believed it was unfair to have her excluded from the business simply because of an old family tradition excluding women. This led them to change an value that had been ingrained (Parada *et al.*, 2010) since the foundation of the family business that was causing a sense of unfairness and even lack of coherence with justice principles prevalent in our current times. Through this change the siblings showed high levels of respect toward their sister's rights (Sison, 2003):

> I've never known if it was my father or my brothers' doing, because my father always told me "it was your brothers' generosity", but at a given moment my father began to consider the possibility of me being a part of the group as a shareholder. (Jennifer – Gen 5)

Fluss Co. has particularly shown the virtue of justice in two instances. The first time was in the second generation when Mr Fluss (Gen 2) advocated for giving a year-round job to all employees, regardless of family membership, something he perceived to be fair for the community. The fairness perception among family and non-family stakeholders (Samara and Arenas, 2017; Samara and Paul, 2019) has grown noticeably as a result of the application of the virtue of justice, enhancing the reputation of the family and business simultaneously:

> My father was worried about giving a stable job to their employees, this is why he partnered with a larger company to assure a year-round job for everyone […] Everyone recognized the role of my father in developing the community. (Sofia – Gen3)

For that Mr Fluss (Gen 2) needed to look for ways to achieve the common goal of employment sustainability, hence looking for a partner who could assure the affluence of tourists all year round, so at the same time being courageous enough to partner with larger businesses. The second instance can be observed in the third generation when Ben invited

Sofia to become Co-CEO, as he considered that it was fair to have both siblings running the business, thanks to their complementary skills:

> […] I asked my sister Sofia to run the business together, because I thought we could work well together and it was fair. (Ben – Gen 3)

Discussion and conclusion

A central question that appears in the literature is how values "are characterized in family firms and how they shape organizational practices" (Fletcher *et al.*, 2012, p. 127). The aim of this paper was to shed light on what virtues, or character traits, drive family members' and business families' values and how these virtues and values shape family businesses decisions that, we believe, are key for their long-term sustainability. Despite the great importance attributed to values in the family business there is still little understanding of how values, and the underlying virtues, influence the success and prosperity of family businesses (Payne *et al.*, 2011). Both cases show evidence that each family business has consistently survived over time pursuing a combination of the four Aristotelian virtues: prudence, courage, justice and temperance. The constant presence of these virtues in the founders and in next generation family members has not only led these family businesses to be sustainable over time, but has also allowed them to forge a good reputation, become respected in their industries, and eventually allow for a state of "being well" leading to happiness or prosperity (MacIntyre, 2013) for the family over time and across generations.

Both family businesses have been able to overcome critical moments also thanks to the strong virtues of their individual family members, who translated virtues into core family values allowing the family to achieve collective goals and adhere to their stated mission (as observed in both, Labor and Fluss Co. where the family had a shared vision and common interests). Whenever diverse interests were present and they were irreconcilable, the families had to be courageous enough to change this situation. Family businesses often pursue behaviors that are aimed at improving and benefiting the community (Mintz, 1996), and this has been the case for Fluss Co. when they decided to break seasonality in the hotel industry to give jobs to all employees all year round. Thus the four virtues have been a key element to develop the family business identity, and have determined the way they behaved toward their various internal and external stakeholders (Marqués *et al.*, 2014). We observe that each virtue has constituted a necessary, albeit not sufficient, individual trait to eventually achieve business excellence. As exemplified in both cases, for family businesses to survive and thrive across generations, a blend of the four Aristotelian virtues has to be present and shared among family business decision makers.

Prudence has been particularly important in guiding the other cardinal virtues. Courage has been accompanied by integrity, risk-taking behavior (bravery) and persistence. Temperance has been particularly strong in terms of humility and openness to involving next generations in decision making. Next generation family members have shown a strong sense of responsibility, taking over leadership positions (Simon *et al.*, 2012), developing high levels of flexibility, being confident in what they were doing at all times, and displaying healthy humility (Foster, 1995). Justice is a key aspect of business families who seek to help their community, be generous toward other family members and their surroundings, eventually leading to perceptions of fairness among key family business stakeholders (Samara and Arenas, 2017; Samara and Paul, 2019). This has also included allowing for the active presence of women in managerial positions, which has been recently shown as instrumental for business success (Chadwick and Dawson, 2018; Samara *et al.*, 2019).

This paper offers three important contributions to the family business and organizational change management literature. First, our study heeds the growing calls for exploring the important role of values and virtues for family business survival over time

and across generations (Fletcher *et al.*, 2012; Payne *et al.*, 2011). Virtues are seen as a key pillar in such survival and drive key values that are usually transmitted over generations (Parada *et al.*, 2010; Parada and Viladás, 2010). Our study expands the literature on values by highlighting the role of virtues, thus allowing us to understand what is behind key decisions that business families make. Second, our study responds to calls to bring other disciplines to our field, in this case ethics and Aristotelian virtues in particular, to better understand the antecedents that allow family businesses to successfully navigate through the changes that inherently occur across different generations (Sharma, 2004). Third, our study offers a valuable contribution to practitioners by shedding light on how values and virtues are essential elements for making a family business thrive, particularly in times of crisis, and achieve a state of happiness. This is particularly important, because it points toward the need for business families to strategically think about values and whether these need to change over time (Parada *et al.*, 2010), how family businesses transmit core values over generations (Parada and Viladás, 2010), and which narratives they need to create in order to build and maintain an identity (Parada and Dawson, 2017) that is characterized by excellence of character based on the four carinal virtues, eventually leading to the "being well," happiness or prosperity (MacIntyre, 2013) of the family.

While we believe that our research offers interesting insights about the relationship between virtues, values and family business survival and prosperity across generational changes and crises, this study has the following limitations that could be covered in future research. First, this is a qualitative study that relies on two successful cases. Further studies with unsuccessful cases could shed light on how virtues, or a lack of virtues, are key elements in such outcome. Our study has been pursued in a single country, which may lead to assumptions of possible cultural and contextual factors affecting the way family businesses behave. This study could be enriched by being replicated in different countries to understand how the four cardinal virtues translate into values in different countries and across cultures. Second, given our focus on virtues in family businesses and on successful family businesses, we do not take into account the "dark side" of family businesses (Payne *et al.*, 2011), such as destructive nepotism (Schulze *et al.*, 2001), amoral familism (Dyer, 2006), and high levels of conflict (Faccio *et al.*, 2001), which can affect family and business outcomes or can even undermine the four cardinal virtues. As a further avenue for future research, a key area that could bring further light on how virtues persist over generations could be developed through studying parenting of next generation leaders (Gimeno and Parada, 2015). Understanding how incumbent business owners educate their children and which values and virtues are actually transmitted or learned by the next generation could help in developing strategies for doing so, eventually contributing to the continuous development of excellence of character and paving the way for survival and prosperity over generational changes.

Notes

1. IBISWorld Industry Report (July 2018), Global Pharmaceuticals Medicine Manufacturing, www.ibisworld.com
2. IBISWorld Industry Report (May 2018), Global Hotels & Resorts, www.ibisworld.com

References

Alvesson, M. and Sköldberg, K. (2000), *Reflexive Methodology: New Vistas for Qualitative Research*, Sage, London.

Anderson, R.C. and Reeb, D.M. (2003), "Founding-family ownership and firm performance: evidence from the S&P 500", *The Journal of Finance*, Vol. 58 No. 3, pp. 1301-1328.

Aristotle (1985), *Nicomachean Ethics*, Irwin, T., trans, Hackett Publishing Company, Indianapolis, IN.

Aronoff, C. (2004), "Self-perpetuation family organization built on values: necessary condition for long-term family business survival", *Family Business Review*, Vol. 17 No. 1, pp. 55-59.

Aronoff, C.E. and Ward, J.L. (2011), *Family Business Values: How to Assure a Legacy of Continuity and Success*, Palgrave Macmillan.

Ayerbe, M. (1995), "Los Valores en el Desarrollo del Directivo: Una aproximación al conocimiento de los valores de los directivos de empresa de la CAPV", ESTE-Universidad de Deusto, San Sebastián.

Ayres, G.R. (1990), "Rough family justice: equity in family business succession planning", *Family Business Review*, Vol. 3 No. 1, pp. 3-22.

Beadle, R. and Moore, G. (2006), "MacIntyre on virtue and organization", *Organization Studies*, Vol. 27 No. 3, pp. 323-340.

Berrone, P., Cruz, C., Gomez-Mejia, L.R. and Larraza-Kintana, M. (2010), "Socioemotional wealth and corporate responses to institutional pressures: do family-controlled firms pollute less?", *Administrative Science Quarterly*, Vol. 55 No. 1, pp. 82-113.

Bragues, G. (2006), "Seek the good life, not money: the Aristotelian approach to business ethics", *Journal of Business Ethics*, Vol. 67 No. 4, pp. 341-357.

Brenes, E.R., Madrigal, K. and Requena, B. (2011), "Corporate governance and family business performance", *Journal of Business Research*, Vol. 64 No. 3, pp. 280-285.

Chadwick, I.C. and Dawson, A. (2018), "Women leaders and firm performance in family businesses: an examination of financial and nonfinancial outcomes", *Journal of Family Business Strategy*, Vol. 9 No. 4, pp. 238-249.

Ciulla, J.B. (2004), "Ethics and leadership effectiveness", in Antonakis, J., Cianciolo, A.T. and Sternberg, R.J. (Eds), *The Nature of Leadership*, Sage Publications, Thousand Oaks, CA, pp. 302-327.

Crossan, M., Mazutis, D. and Seijts, G. (2013), "In search of virtue: the role of virtues, values and character strengths in ethical decision making", *Journal of Business Ethics*, Vol. 113 No. 4, pp. 567-581.

Dawson, A. and Hjorth, D. (2012), "Advancing family business research through narrative analysis", *Family Business Review*, Vol. 25 No. 3, pp. 339-355.

De Massis, A. and Kotlar, J. (2014), "The case study method in family business research: guidelines for qualitative scholarship", *Journal of Family Business Strategy*, Vol. 5 No. 1, pp. 15-29.

Denison, D., Lief, C. and Ward, J.L. (2004), "Culture in family-owned enterprises: recognizing and leveraging unique strengths", *Family Business Review*, Vol. 17 No. 1, pp. 61-70.

Dyer, W. G. Jr (2006), "Examining the 'family effect' on firm performance", *Family Business Review*, Vol. 19 No. 4, pp. 253-273.

Eisenhardt, K.M. and Graebner, M.E. (2007), "Theory building from cases: opportunities and challenges", *The Academy of Management Journal*, Vol. 50 No. 1, pp. 25-32.

Faccio, M., Lang, L.H. and Young, L. (2001), "Dividends and expropriation", *American Economic Review*, Vol. 91 No. 1, pp. 54-78.

Fletcher, D., Melin, L. and Gimeno, A. (2012), "Culture and values in family business – a review and suggestions for future research", *Journal of Family Business Strategy*, Vol. 3 No. 3, pp. 127-131.

Flory, M. and Iglesias, O. (2010), "Once upon a time: the role of rhetoric and narratives in management research and practice", *Journal of Organizational Change Management*, Vol. 23 No. 2, pp. 113-119.

Foster, A.T. (1995), "Developing leadership in the successor generation", *Family Business Review*, Vol. 8 No. 3, pp. 201-209.

Gallo, M.A. and Kenyon-Rouvinez, D. (2005), "The importance of family and business governance", in Kenyon-Rouvinez, D. and Ward, J.L. (Eds), *Family Business*, Palgrave Macmillan, London, pp. 45-57.

Gallo, M.Á., Tàpies, J. and Cappuyns, K. (2004), "Comparison of family and nonfamily business: financial logic and personal preferences", *Family Business Review*, Vol. 17 No. 4, pp. 303-318.

Gimeno, A. and Parada, M.J. (2015), "Parenting and next gen development", in Sharma, P., Auletta, N., DeWitt, R., Parada, M.J. and Yusof, M. (Eds), *Developing next Generation Leaders for Transgenerational Entrepreneurial Family Enterprises*, Edward Elgar, Camberley, Cheltenham and Northampton, pp. 212-237.

Hackett, R.D. and Wang, G. (2012), "Virtues and leadership: an integrating conceptual framework founded in Aristotelian and Confucian perspectives on virtues", *Management Decision*, Vol. 50 No. 5, pp. 868-899.

Hall, A., Melin, L. and Nordqvist, M. (2001), "Entrepreneurship as radical change in the family business: exploring the role of cultural patterns", *Family Business Review*, Vol. 14 No. 3, pp. 193-208.

Hambrick, D.C. and Mason, P.A. (1984), "Upper echelons: the organization as a reflection of its top managers", *Academy of Management Review*, Vol. 9 No. 2, pp. 193-206.

Hursthouse, R. (2013), "Virtue ethics", in Zalta, E.N. (Ed.), *The Stanford Encyclopedia of Philosophy*, Stanford University, Stanford, CA.

Judge, T.A. and Piccolo, R.F. (2004), "Transformational and transactional leadership: a meta-analytic test of their relative validity", *Journal of Applied Psychology*, Vol. 89 No. 5, p. 755.

Kohlberg, L. (1976), "Moral stages and moralization: the cognitive-development approach", in Lickona, T. (Ed.), *Moral Development and Behavior: Theory Research and Social Issues*, pp. 31-53.

Lubatkin, M.H., Ling, Y. and Schulze, W.S. (2007), "An organizational justice-based view of self-control and agency costs in family firms", *Journal of Management Studies*, Vol. 44 No. 6, pp. 955-971.

MacIntyre, A. (1984), *After Virtue: A Study in Moral Theory*, University, Notre Dame, IN.

MacIntyre, A. (2013), *After Virtue*, Bloomsbury, London.

Marqués, P., Presas, P. and Simon, A. (2014), "The heterogeneity of family firms in CSR engagement: the role of values", *Family Business Review*, Vol. 27 No. 3, pp. 206-227.

May, D.R., Chan, A.Y.L., Hodges, T.D. and Avolio, B.J. (2003), "Developing the moral component of authentic leadership", *Organizational Dynamics*, Vol. 32 No. 3, pp. 247-260.

Melé, D. (2003), "The challenge of humanistic management", *Journal of Business Ethics*, Vol. 44 No. 1, pp. 77-88.

Miller, D. and Le Breton-Miller, I. (2005), *Managing for the Long Run: Lessons in Competitive Advantage from Great Family Businesses*, Harvard Business Press, Boston.

Miller, D. and Le Breton-Miller, I. (2007), "Kicking the habit: broadening our horizons by studying family businesses", *Journal of Management Inquiry*, Vol. 16 No. 1, pp. 27-30.

Mintz, S.M. (1996), "Aristotelian virtue and business ethics education", *Journal of Business Ethics*, Vol. 15 No. 8, pp. 827-838.

Moore, G. (2008), "Re-imagining the morality of management: a modern virtue ethics approach", *Business Ethics Quarterly*, Vol. 18 No. 4, pp. 483-511.

Nordqvist, M., Hall, A. and Melin, L. (2009), "Qualitative research on family businesses: the relevance and usefulness of the interpretive approach", *Journal of Management and Organization*, Vol. 15 No. 3, pp. 294-308.

Palanski, M.E. and Yammarino, F.J. (2009), "Integrity and leadership: a multi-level conceptual framework", *The Leadership Quarterly*, Vol. 20 No. 3, pp. 405-420.

Parada, M.J. and Dawson, A. (2017), "Building family business identity through transgenerational narratives", *Journal of Organizational Change Management*, Vol. 30 No. 3, pp. 344-356.

Parada, M.J. and Viladás, H. (2010), "Narratives: a powerful device for values transmission in family businesses", *Journal of Organizational Change Management*, Vol. 23 No. 2, pp. 166-172.

Parada, M.J., Nordqvist, M. and Gimeno, A. (2010), "Institutionalizing the family business: the role of professional associations in fostering a change of values", *Family Business Review*, Vol. 23 No. 4, pp. 355-372.

Park, N. and Peterson, C. (2006), "Moral competence and character strengths among adolescents: the development and validation of the values in action inventory of strengths for youth", *Journal of Adolescence*, Vol. 29 No. 6, pp. 891-909.

Payne, G.T., Brigham, K.H., Broberg, J.C., Moss, T.W. and Short, J.C. (2011), "Organizational virtue orientation and family firms", *Business Ethics Quarterly*, Vol. 21 No. 2, pp. 257-285.

Peterson, C. and Seligman, M.E. (2004), *Character Strengths and Virtues: A Handbook and Classification*, Vol. 1, Oxford University Press, Oxford.

Polansky, R. (Ed.) (2014), *The Cambridge Companion to Aristotle's Nicomachean Ethics*, Cambridge University Press, Cambridge.

Rokeach, M. (1968), "Beliefs, attitudes and values: a theory of organization and change", Jossey Bass, San Francisco, CA.

Samara, G. and Arenas, D. (2017), "Practicing fairness in the family business workplace", *Business Horizons*, Vol. 60 No. 5, pp. 647-655.

Samara, G. and Paul, K. (2019), "Justice versus fairness in the family business workplace: a socioemotional wealth approach", *Business Ethics: A European Review*, Vol. 28 No. 2, pp. 175-184.

Samara, G., Jamali, D. and Lapeira, M. (2019), "Why and how should SHE make her way into the family business boardroom?", *Business Horizons*, Vol. 62 No. 1, pp. 105-115.

Samara, G., Jamali, D., Sierra, V. and Parada, M.J. (2018), "Who are the best performers? The environmental social performance of family firms", *Journal of Family Business Strategy*, Vol. 9 No. 1, pp. 33-43.

Schulze, W.S., Lubatkin, M.H., Dino, R.N. and Buchholtz, A.K. (2001), "Agency relationships in family firms: theory and evidence", *Organization Science*, Vol. 12 No. 2, pp. 99-116.

Schwartz, S.H. (1992), "Universals in the content and structure of values: theoretical advances and empirical tests in 20 countries", *Advances in Experimental Social Psychology*, Vol. 25, pp. 1-65.

Seijts, G.H. and Gandz, J. (2018), "Transformational change and leader character", *Business Horizons*, Vol. 61 No. 2, pp. 239-249.

Sharma, P. (2004), "An overview of the field of family business studies: current status and directions for the future", *Family Business Review*, Vol. 17 No. 1, pp. 1-36.

Sharma, P. and Sharma, S. (2011), "Drivers of proactive environmental strategy in family firms", *Business Ethics Quarterly*, Vol. 21 No. 2, pp. 309-334.

Simon, A., Marquès, P., Bikfalvi, A. and Muñoz, M.D. (2012), "Exploring value differences across family firms: the influence of choosing and managing complexity", *Journal of Family Business Strategy*, Vol. 3 No. 3, pp. 132-146.

Sison, A.G. (2003), *The Moral Capital of Leaders: Why Virtue Matters*, Edward Elgar Publishing, Cheltenham.

Sison, A.J.G. and Ferrero, I. (2015), "How different is neo-Aristotelian virtue from positive organizational virtuousness?", *Business Ethics: A European Review*, Vol. 24 No. 2, pp. S78-S98.

van Dijk, H., van Engen, M. and Paauwe, J. (2012), "Reframing the business case for diversity: a values and virtues perspective", *Journal of Business Ethics*, Vol. 111 No. 1, pp. 73-84.

Vera, D. and Rodriguez-Lopez, A. (2004), "Strategic virtues: humility as a source of competitive advantage", *Organizational Dynamics*, Vol. 33 No. 4, pp. 393-408.

Wang, G. and Hackett, R.D. (2016), "Conceptualization and measurement of virtuous leadership: doing well by doing good", *Journal of Business Ethics*, Vol. 137 No. 2, pp. 321-345.

Corresponding author
Maria Jose Parada can be contacted at: mariajose.parada@esade.edu