
Foreword

I am delighted to write a Foreword to this long awaited and much needed *Handbook*. Qualitative methods are enjoying a renaissance in business research due, in large part, to the growing recognition of family business as a significant area of economic activity. In fact, family business is an empirical context uniquely suited for qualitative research. Qualitative methods work best when they are used to explore new intellectual space or to rework 'well-tilled soil' that has failed to generate fresh theoretical insight. Stated differently, qualitative methods are effective tools for making sense of mysterious phenomena that defy prevailing assumptions of how the world should be.

Family businesses defy many of our taken-for-granted assumptions about how an efficient and rational business should be managed. Hiring decisions are often based on nepotism rather than merit. Financial interests are often intermingled and confused by family concerns. And corporate strategies are often premised on producing socio-emotional wealth rather than a quantitatively defined return to investors. Despite this, family businesses comprise a dominant component of the modern economy. They stand as somewhat inscrutable counterpoints to the modern corporation. They are mysterious institutions, propelled as much by values and emotions as by economic resources and 'rational' management practices.

It is this not-rational aspect of family business that makes qualitative methods so useful for generating insight and understanding. Emotions are the focal heart of family businesses, and qualitative methods offer the best techniques for investigating emotions. The goal of qualitative research is interpretation, the ability to understand how individuals construct meaning out of their experience in the world. Rather than trying to create a universal knowledge claim about the objective world, the qualitative researcher tries to access and analyze the internal point of view of the individual. While one can never fully grasp the internal view of another, qualitative researchers aspire to the closest possible approximation of how others internalize experience. By asking probing questions that cause the subject to reflect deeply, or through direct and intimate observation of the quotidian detail of everyday life, qualitative research has shown us that humans are often more prone to rationalizing rather than rational behaviour and emotion is as relevant as logic in determining how humans make choices. Family businesses, thus, may be unique only by virtue of the fact that the expression of emotions as a motive for action is legitimate and therefore open to public display.

Relationships are also central to family businesses. Qualitative methods offer valuable techniques for analyzing relationships. While quantitative research is useful in mapping the existence and frequency of human interaction, qualitative research is more valuable for understanding the meaning that emerges as a result. While all organizations are built upon relationships, those relationships are more overt in family-dominated organizations. They are the ultimate expression of what Howard Becker described as 'small worlds' or systems of interactions and relationships that coalesce in a web of mutual influence or support. Qualitative research offers both techniques and theory for understanding the relationships upon which small worlds are created, maintained and eroded.

Perhaps the most valuable contribution that emerges from the application of qualitative methods to family business research is the capacity of that union to produce new theory. Because quantitative methods lean heavily on deductive reasoning, quantitative research also tends to rely on existing theory. That is, quantitative research tends to encourage the testing of hypotheses of causal relationships drawn from well-established understandings of the world. As a result, quantitative research tends to ask questions driven by a logic of validating existing theory, much of it drawn from prior research on corporations, rather than true discovery of new theory.

Despite the fact that family businesses are an ancient form of organizing economic activity, a form that existed long before the emergence of the corporation, they have only recently been recognized as a unique organizational form in business research. As a result, the history of family business research is plagued by the misapplication of theory drawn from our extensive knowledge of rationally efficient bureaucratic forms. Unfortunately, the assumptions of agency theory, transaction costs and resource dependencies offer, at best, ill-fitting theoretical frames for analyzing the mysterious and often enchanted world of family-owned businesses. Family business scholarship is in dire need of indigenously formed theory derived from the enduring and intimate engagement of dedicated qualitative researchers.

Most qualitative research makes a virtue of keeping the research design (and the researcher's eye) open to unexpected, novel insights or data that challenge extant theory. Ethnographic methods, grounded theory research designs and a host of related qualitative techniques encourage researchers to collect large swaths of seemingly mundane data that, upon closer examination, often reveals unanticipated insights. If there is any hope of constructing indigenous theories of family business, it will most likely come from the thick descriptions and meticulous detail of attentive qualitative researchers.

My true delight in this *Handbook* is the meticulous detail with which editors De Massis and Kammerlander have carefully organized leading scholarly voices in qualitative research and family business. These leading voices, in turn, have generated an impressive array of exemplars that, collectively, provide a toolkit from which business scholars can begin the exciting task of constructing novel and indigenous family business theory. The contributions run the gamut from well-established methods such as case study research, interviews and ethnography, to more innovative approaches that use narrative, historical and visual analytic techniques. Critically important are the chapters devoted to the combination of qualitative and quantitative methods, and an open discussion of the still-lingering challenge of convincing editors of leading journals about the unique standards of reliability, validity and rigour in qualitative research. This *Handbook* serves as a map to the future of family business research.

Roy Suddaby
Winspear Chair of Management,
Peter B. Gustavson School of Business, University of Victoria,
Canada and Chair in Organisation Theory, Management School,
University of Liverpool, UK