



WITTEN INSTITUTE FOR
FAMILY BUSINESS

WITTEN/HERDECKE
UNIVERSITY

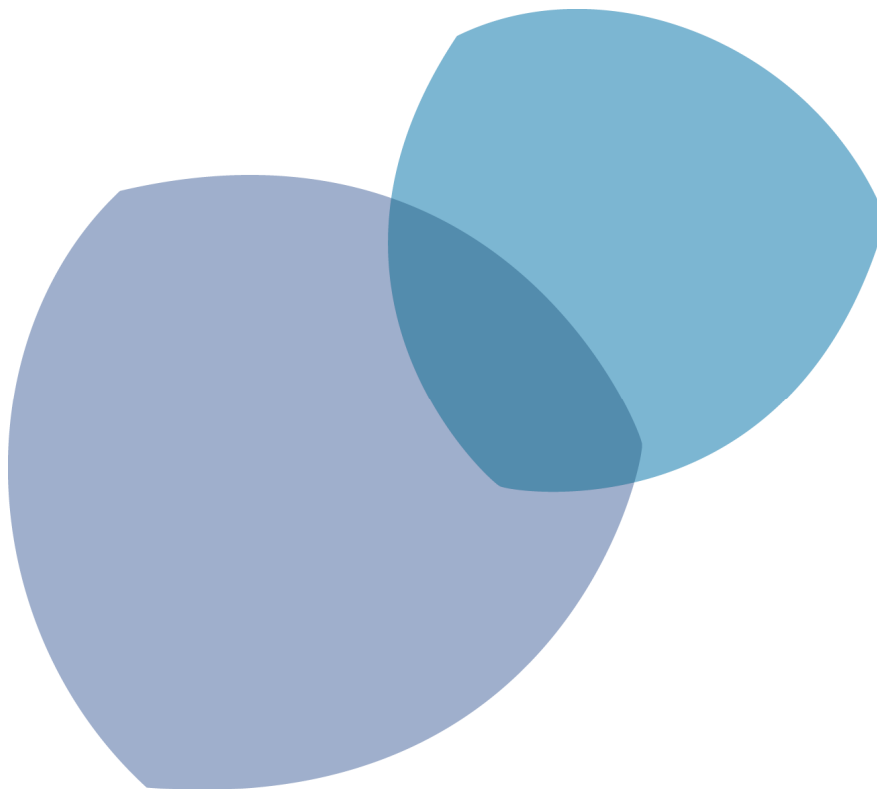
Family Impact on Family Businesses

Strategic Positioning of the Witten Institute for Family
Business (WIFU)

by
the Directorate and Profes-
sors' Committee of the Witten
Institute for Family Business

CONTENTS

Introduction.....	4
The WIFU star as a baseline.....	4
The WIFU focus and its unique selling points.....	5
WIFU in the context of the MUT department and the WiGe faculty.....	7
WIFU in the context of the Witten/Herdecke University	7



INTRODUCTION

WIFU's strategic positioning was discussed by its professors' committee during the winter term of 2020/2021 and summer term of 2021. This led the directorate and the chairs of the institute to evaluate current developments relating to family businesses in practice, scholarship and academic education as well as within national and international frameworks. The examination considered WIFU's relationship to these developments and covered its strengths but also the opportunities and need for further progress.

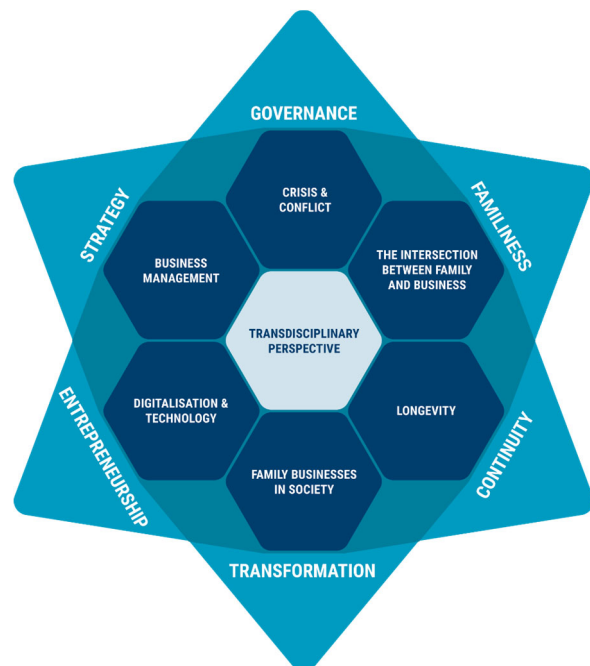
This position paper will outline below the fundamental research perspective of WIFU through the use of the WIFU star, which was developed for the twentieth anniversary of the institute. This will be followed by a clarification of the WIFU strategy and its unique selling points. These become evident through a consistent focus on the *Family Impact* of family businesses and refer to a variety of practice-related events, including colloquia, panels and working groups. Lastly, the paper will elaborate on how WIFU integrates into the Faculty of Management, Economics and Society (WiGe) within the Department of Management and Entrepreneurship (MUT) and the Witten/Herdecke University (UW/H) overall.

THE WIFU STAR AS A BASELINE

In 2018, the Witten Institute for Family Business celebrated its 20th birthday, and this anniversary prompted a clarification of our research strategy through the use of the so-called WIFU star.

The institute primarily follows a transdisciplinary approach, pushing the traditional boundaries of the discipline with its five research chairs. Further, it connects economic, legal, psychological, sociological and other social sciences – including historical and ethnological perspectives – under the umbrella of research on and the practical development of family businesses. In this respect, WIFU's research is generally concerned with the following fields:

- *Governance* of family businesses and business families, that is, the quest for suitable principles of organisation and leadership;
- *familiness*, which becomes especially evident and fruitful through the transgenerational character of this business type;
- *continuity*, which can be understood in terms of sustainability as an ecological but also social motivation for the long-lasting preservation of values;
- *transformation*, that is, the question of how family businesses and business families effect change amidst the tension between tradition and innovation;
- *entrepreneurship*, in terms of individual and organisational attitudes, guiding business families and family businesses towards future frameworks, for example in the era of digitalisation and the technological challenges presented by the fourth industrial revolution and, finally;
- *strategy*, because this is the process that forces leaders of business families and family businesses to work proactively on core entrepreneurial and familial development tasks and to implement appropriate solutions.



The WIFU star

While working on these subject threads, the institute's primary goal is to make a significant contribution to the development and empirical foundation of a *theory of the family business and business family*. Precisely for this reason, the variety of the subjects described is a key aspect of WIFU, enacted through our five academic chairs but also enriched through our *worldwide network* of research centres in the field of family business. In so doing, WIFU understands its own role as a place of academic research and a platform for the reciprocal transfer of theory and practice. The variety of our events, ranging from scientific perspectives to practice-oriented approaches, illustrates our vision to work in partnership with practice in order to collaborate on an equal footing. To that end, we conduct both focused and wide-ranging research, permanently targeted on our main goal: *to strengthen the sustainability of family businesses and business families*.

THE WIFU FOCUS AND ITS UNIQUE SELLING POINTS

Transdisciplinary approach

Transdisciplinary science, for us, means offering a practical contribution alongside a multidisciplinary academic perspective. It enriches businesses and supports them with innovative ideas and troubleshooting concepts best suited to our core interests: family businesses of different sizes, from a range of sectors, with various legal forms and governance or mental models.

No other national or international university institute investigating family businesses has an orientation as broad as that of WIFU. While other institutes generally adopt a management or legal perspective, these perspectives are complemented at WIFU by psychological, sociological, historical and ethnological viewpoints, as shown by our widely recognised academic chairs and the disciplinary roots of our research assistants. This almost holistic research orientation results from the

fact that what makes family businesses special is the family within the family business or the business family.

Those wishing to fully understand families, especially the genesis, preservation and dynamic of business families, cannot avoid looking at the diversity that characterises life in these social systems. Familial socialisation is the most profound and longest-lasting influence experienced by humans in their psycho-social development and continues to affect their whole existence throughout their lives. Within business families, this influence has a considerable impact on the business in family ownership. How the family-connected shareholders organise their lifestyles, raise their children and hand their property on to the next generations, as well as how they approach operational and ownership successions, are firmly linked to the present and the future of the business. Thus, family businesses are only comprehensible by understanding the families who sustainably form and socio-morally integrate into their companies, hence why we focus all our scientific and practice-oriented work on the *Family Impact*.

No other institute for family businesses is as clearly oriented towards the family within a family business, or focuses on its disciplinary approach as the core characteristic of this form of business, giving WIFU a clear unique selling point.

Practical discourse as well as panels and working groups

The practical side of our transdisciplinary approach can be seen in the fact that WIFU offers sponsors of the WIFU Foundation and selected other companies the opportunity to participate in panels and working groups covering the complete life-cycle of owners and their families, with event formats for the so called *next, mid* and *senior gen*. Furthermore, we organise regular working groups on issues such as digitalisation, sustainability and the management of the business family.

WIFU's contribution to the practical discourse is complemented by a variety of panels on specific questions concerning family businesses, which have taken place both in person and online since the COVID-19 pandemic. In these panels, we not only react to recent topics – such as current discourses on sustainability, digitalisation, the responsible handling of wealth and its management or the social engagement of family businesses and business families – but are also known for our innovative and creative approach to seminars and didactics. It is important to us that the participants at our events accumulate new knowledge and are cognitively stimulated while also feeling emotionally encouraged and included. Our institute aims to provide a safe environment, encouraging participants to test new behaviours which they can successfully implement into their practice environment.

These practically oriented offers can be interpreted individually or holistically as a platform for networking. Anyone attending a WIFU event will get to know other participants, forming new contacts and potentially establishing relationships that outlast the framework of the respective seminar or working group, bringing together people who can only discreetly and cautiously speak about challenges in their working life.

No other institute offers such a variety of events in terms of content and didactics, not only providing intellectual added value for family entrepreneurs and members of business families but also enabling social networking with a lasting effect.

The discourse of research and the promotion of offspring

Alongside the research activities initiated, organised and conducted at the level of the academic chairs, academic discourse at WIFU occurs notably through three event styles: (1) the research colloquium, (2) the academic summer camp and (3) the academic boot camp. Within the framework of these formats, all WIFU professors, their research assistants and doctoral candidates regularly

come together to discuss qualification work in progress, particular dissertations, papers or scientific work that has already been published. We also regularly invite guest researchers with whom we produce joint publications or supervise doctoral theses.

No other institute in our field of research organises similarly diverse discourse formats to support the development of current projects. During the academic boot camp, which usually takes place in a conference hotel over one week in November, the transdisciplinary orientation is complemented by the participation of family businesses. These experts provide helpful and challenging comments to the doctoral students, supporting the development of their projects and, particularly, increasing the practical orientation of their expected impact.

Since these research formats are unique within the context of *Family Business Research*, we regularly welcome guests from other universities who value the content and discursive character of our work. At the same time, we add a practical perspective to our discourses by integrating members of business families and family businesses. Indeed, our approach is holistic: for example, we understand that a dissertation significantly impacts how doctoral students organise their lives. Therefore, in addition to scientific support, we also provide advice on numerous soft skills – such as time management, stamina, or crisis resilience – the development of which is ultimately crucial for the successful completion of a dissertation project.

To promote practical relevance within academic research in the realm of family businesses, WIFU funds a sponsorship award – 'Best Practical Impact' – as part of our engagement with the leading research conference, IFERA.

WIFU IN THE CONTEXT OF THE MUT DEPARTMENT AND THE WIGE FACULTY

WIFU is the largest third-party-funded institute within the Faculty of Management, Economics and Society (WiGe) and, thus, has a strong influence on the Department for Management and Entrepreneurship (MUT), accounting – with its five chairs – for almost half of all academic chairs and professorships in the department. Therefore, family businesses represent a distinct perspective within the department, as reflected in the management degree programmes. Students in the bachelor's degree in *Management as well as in the master's degrees in Strategy & Organization and General Management* are able to take options in business management, social sciences or law. Regular initiatives such as '*Studying Family Entrepreneurship*' provide insights into the research and teaching offered by WIFU to UW/H students.

Similarly, the WIFU academic chairs contribute to our ambition to align the fundamental teaching areas of general business administration, the social embedding of economic activity and the legal foundations of economics within the degree programmes and according to their relevance for management. Usually, these topics are illustrated by examples of family businesses and business families. Thus, WIFU lecturers benefit from our close connection with the practical world as almost every class can be complemented by the inclusion of experts from the world of business.

Additionally, our creative formats have proven fruitful in academic research: data is collected with the students and evaluated together with them, thus again ensuring a transdisciplinary approach in the close interlocking of current practical issues and scientific work.

We established new forms of creativity concerning the didactic arrangements for courses taught online during the COVID-19 pandemic. Online classes – even more than conventional classes on-site – require stable teaching and

learning relations, and that content is transmitted with a practical orientation. To ensure these conditions were met, all academic chairs of WIFU developed novel forms of teaching and examining students' knowledge and abilities. Thus, we have used the past three semesters of the pandemic to advance the digitalisation of teaching, and professionalise our modalities of teaching and examining towards a more student-oriented perspective. The next step in the development of study programmes in the MUT department will be the establishment of so-called modular study programmes, which will enable students to combine the discipline of management with other relevant subjects, such as psychology, sociology, or data science. It is a central concern of our engagement within the department that the topic of family businesses will be at the heart of these hybrid, and thus transdisciplinary, study programmes.

WIFU IN THE CONTEXT OF THE WITTEN/HERDECKE UNIVERSITY

As Germany's first private university, founded on the three pillars of 'freedom', 'truth' and 'responsibility', Witten/Herdecke University provides the ideal academic context for an institute that highlights classical private enterprise and transgenerational business, with socially responsible 'family capitalism' central to all its academic and practically oriented work. Thus, we identify strongly with UW/H and engage actively in the growing success of this reforming educational institution.

Our financial autonomy as an institute, supported by an independent foundation, allows us not only to live the values of the university and guarantee the fundamental freedom of teaching and research but also structurally to embody them. We function as an engine for the further positive development of this university and contribute as a confident part of the academic whole to its sustainability.

In addition to its structural integration and the resource-related support offered to the university by the WIFU Foundation, the WIFU-endowed chairs each contribute to the broad

orientation of specific core concepts in UW/H's teaching. During the COVID-19 pandemic, we created a new course – 'Between emotion and business' – in which family businesses are presented to students on non-economic study programmes by lecturers working under different academic chairs and research centres of WIFU. Since its first online semester in spring 2020, this course has been very popular and regularly attracts between 50 and 70 students from the medicine, psychology, or healthcare faculties.

The Witten Institute for Family Business is an institute founded by family businesses for family businesses as well as all those interested in this business and family type. It sees itself as a hub for addressing recent issues and the specific challenges for this form of long-term management. Likewise, its activities aim to contribute to the durability of transgenerational – and thus sustainable – entrepreneurship. This clear positioning is our concept for success and will carry us into the future, as shown by the results of intensive discussions within the WIFU directorate and among the academic chairholders, from which this present strategic positioning has emerged.