

ABSTRACT

Despite their numerical dominance and socioeconomic significance in national wealth creation, employment generation, and societal contributions in economies worldwide, the Transgenerational Business Continuity (TGBC) of family businesses (FB) is reportedly poor globally, and particularly in Sri Lanka. Previous studies have focused on family businesses to achieve Transgenerational Business Continuity (TGBC), through Entrepreneurial Orientation (EO) have failed to look at the structural, relational, and cognitive dimensions influencing the preservation of entrepreneurial activities across multiple generations. Thus, this study explores the imprinting of Entrepreneurial Orientation (EO), Familiness, and The Socio-Emotional Wealth Theory (SEW), in creating Transgenerational Entrepreneurship (TGE) by Sri Lankan family businesses on nonfamily professional managers within a professionalized environment. Based on multiple theories, namely, the Imprinting Theory, The Resource Base View, and The Socio- Emotional Wealth Theory, this study further seeks to explore how Transgenerational Entrepreneurship (TGE) bestowed on nonfamily professional managers influences Professionalization and Transgenerational Business Continuity (TGBC).

An interpretive study was conducted to address the following questions; How do family businesses (FB) imprint Entrepreneurial Orientation (EO), and transfer Familiness and SEW on nonfamily professional managers? How is Transgenerational Entrepreneurship (TGE) bestowed on nonfamily professional managers and what is its influence on professionalism and TGBC? For this purpose, companies across four generations, each covering 5 companies, were studied. A case study method was employed, involving in-depth interviews with 20 individuals representing twenty participants covering nonprofessionals, managers, and entrepreneurs. The interviews were transcribed verbatim and analyzed based on the thematic analysis guidelines recommended by Braun and Clarke (2013). Furthermore, four focus group discussions were conducted with professional managers from companies, representing each generation. These discussions utilized narratives to enhance the trustworthiness of the study.

The findings reveal that EO can be imprinted on nonfamily professional managers in a professionalized environment through strategic education, entrepreneurial bridging, and strategic succession. Further, the study finds that Familiness and Socio-Emotional Wealth(SEW) influence the establishment of Transgenerational Entrepreneurship on nonfamily professional managers. Familiness and SEW integrate to create TGE, providing previously

overlooked insights. Moreover, the findings demonstrate that the TGE of nonfamily professional managers moderates the relationship between Professionalization and TGBC in family businesses.

The findings of this study have significant theoretical, managerial and societal implications. This study has theoretical implications by triangulating three theories and expanding the understanding of TGE. It emphasizes that Professionalization can ensure TGBC by bestowing TGE on nonfamily professional managers through the imprinting of EO, Familiness, and SEW on nonfamily professional managers. For the first time this integration of theories expands the theoretical understanding of how family businesses influence and shape the mindsets and behavior of nonfamily professionals. Further, this study provides valuable insights and benefits for the owners and managers of family businesses, enabling them to adopt strategies that promote transgenerational business continuity. The study emphasizes the importance of educating and empowering professional managers to act as entrepreneurs within the business. These implications highlight the need for owners and managers to embrace a more inclusive and strategic approach to harness the full potential of their professional management team and ensure long-term success. The study has societal implications as well. By identifying the factors contributing to TGE, the study can help family businesses contribute to the stability and growth of overall society, fostering economic development, job creation, and the preservation of entrepreneurial legacies.

This study brings a new perspective to family business studies, shedding light on its transgenerational aspects. Unlike previous studies which have been limited to family members, this research extends its exploration towards the imprinting of EO on nonfamily professional managers in a professionalized environment. Additionally, it integrates the previously theorized idiosyncratic and heterogenetic endowments, Familiness, and SEW, into a comprehensive framework, highlighting the necessity of all three elements for establishing TGE, which was earlier looked at mainly from the perspective of imprinting EO on non-family professional managers. The theoretical implications of this study contribute to advancing knowledge in the field and offer a foundation for future research in understanding the interplay between entrepreneurship, resources, emotions, and professional management within family businesses.

Keywords: Professionalization, Imprinting, Entrepreneurial Orientation, Familiness, Socio-emotional wealth, Transgressional entrepreneurship, Transgenerational Business Continuity.