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How business ethics reshape family firms?

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Abstract: Most pieces of literature indicate that family businesses are not as socially responsible as non-family firms are. This is prevalent in the existing literature review around family involvement on a business's CSR. This study aims to describe a critical review and shed the light about business ethics and organisational culture in family and non-family firms. By introducing the role-modelling, ethics through the reward and punishment systems, this study describe candid communication, organisational culture and morality. However, religious practices and organisational values such as integrity, respect and empathy are introduced. Finally, this study concludes by summing-up this review in link with the corporate social responsibility and ethics in family and non-family businesses.

Keywords: family business; ethics; CSR; culture.

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1 Introduction

Research indicates that three factors can explain why family-owned businesses are often recognised as being more ethical than non-family firms. These factors are presented by Reck et al. (2021) as the involvement of the family, the unique values and personalities associated with the family, and social interactions among family members. These findings are based on another research conducted by Vazquez (2018), who claims that family businesses are more ethical than non-family firms. Looking at the study by Reck et al. (2021), employees' identities are encompassed within the business context. As such, employees' identity in family businesses is embedded within the family, contrary to non-family organisations, which do not link workers' identities to the family. However, the coverage by Reck et al. (2021) regarding family involvement as a factor contributing to more ethical behaviours in family firms than non-family businesses is relatively shallow compared to Vazquez (2018). Vazquez (2018) establishes that the involvement of any of specific stakeholders, particularly the founders, spouses, successors, and in-laws, among others, helps relate the social outcomes of family firms to the family traits. Vazquez (2018) explains that family businesses entail personalised control and long-term orientations that effectively impact the business's material and human resources. Another aspect of family involvement that results in a more ethical organisation compared to non-family companies is that family firms are typically described by the morality contained within founding relationships. Also, these organisations have dual identities that emanate from the fact that these organisations have non-economic goals that are concentrated on family and family ties (Vazquez, 2018). Vazquez (2018) goes ahead and claims that mostly, the problems facing family businesses are solved by their moral beliefs. Thus, the collective thought presented by Vazquez (2018) is that family is an institution in itself and whose involvement in businesses increases their ethics. This study aims to describe and shed the light on business ethics and culture across family and non-family businesses.

1.1 Role-modelling and ethics in family and non-family businesses

An important question asked by Belak et al. (2012) is whether family does matter in business ethics. According to Belak et al. (2012), to understand this topic, the most important factor to consider is the informal measures of business ethics implementation. Some of the measures discussed in this research include candid ethical communication, role modelling, the reward and penalty system, ethics as a theme in workers' interactions, and stories' communication. However, the authors do not look into these measures from a dedicated point of view but rather from a generalised perspective. That is, Belak et al. (2012) focus on these measures of ethics as they are understood in both family and non-family firms. Regardless of the approach taken by these authors, the lessons presented herein are important in increasing the understanding of business ethics. Concerning role modelling/manager concern, Belak et al. (2012) postulate that managers help develop proper and desirable behaviour based on how they act. Thus, managers should set good examples to their employees concerning ethical behaviour. Role modelling as a source of ethical behaviour is also discussed by Adams et al. (1996), who claim that this aspect of management is used to encourage ethical behaviour. In their comparison between family and non-family businesses, Adams et al. (1996) establish that role modelling is associated more with family businesses than non-family businesses. For the latter, Adams et al. (1996) claim that ethics training programs are the main source of company ethics. Therefore, the research by Adams et al. (1996) not only supports the ideas by Belak et al. (2012) but compliments their findings as well.

1.2 Reward and punishment systems and ethics in family and non-family businesses

In light of the similarities and concurrency in the research by Belak et al. (2012) and Adams et al. (1996), it is interesting to compare more of their ideas against each other, especially concerning the need for reward and punishment systems in encouraging ethical behaviour and discouraging unethical actions, respectively. Belak et al. (2012) affirm that a reward system is needed to award workers when they positively deal with conflicts and dilemmas through ethical behaviour. However, as Belak et al. (2012) note, this system should only be used sparingly. Adams et al. (2012) do not establish whether these systems are mostly linked to family businesses or non-family firms. Nevertheless, concurrent with Belak et al. (2012), Adams et al. (1996) claim that rewards and punishment systems are crucial while making business decisions. However, their coverage on the issue is not as in-depth as that of Belak et al. (2012), though Adam et al. (2012) help confirm the former's thoughts. However, reward systems should be used in caution for Ceja et al. (2010) affirm that they can encourage greed among managers, especially when linked to specific short-term performance indicators. Thus, Ceja et al. (2012) encourage balance in firms' reward systems to encourage entrepreneurial activities, especially when regarding family businesses. This caution is similar to the one presented by Belak et al. (2012), who identify the need for limits in these systems.

Punishment systems work differently to reward systems, seeing that it seeks to discourage unethical behaviour by penalising those that do not conform to accepted or desirable behaviour. Belak et al. (2012) talk about punishment systems as an informal measure meant to ensure ethical behaviour. Luckily, the authors have compared these systems as implemented in family and non-family firms, presenting punishment as a measurement that is commonly found in the former than in the latter. In their study, Belak et al. (2012) found that punishment occurs in family firms at a rate of 61.1%, compared to its occurrence in non-family businesses at 45.2%. The research on punishment systems in family and non-family businesses is limited, implying that this study has to rely mostly on the findings by Belak et al. (2012) on the issue. Nonetheless, albeit rather subtly, Adams et al. (2012) also appreciate the role of punishment systems in ensuring ethical practice in firms, family-oriented or otherwise.

2 Candid communication and ethics in family and non-family businesses

Candid ethical communication is also another measure of ethics in both family and non-family businesses that comes up in the research by Belak et al. (2012). According to these researchers, candid communication is the main way through which managers can ensure that what is done aligns with what is said at all levels of the organisation. Therefore, communication is a key to the establishment of ethical behaviours in organisations. To get a better understanding of the assertions by Belak et al. (2012), importance is placed on the research by Kačerauskas (2019) and Schenebel and Bienert (2004). They both discuss the role of communication in business ethics. Though these two works of literature discuss ethics communication more objectively and without special focus on either family or non-family firms, their explorations give a basic understanding of more subjective pieces of literature like those of Belak et al. (2012), Ceja et al. (2010) and Payne et al. (2011), among others.

According to Kačerauskas (2019), communication is an important aspect of business ethics. Kačerauskas (2019) encourages that businesses should communicate in such a way that their communication becomes the general rule in their ethics. Though Kačerauskas (2019) discusses business and communication ethics as separate maxims, the author shows the interdependence between the two concepts. Though Schenebel and Bienert (2004) deviate from the approach taken by Kačerauskas (2019) of discussing business and communication ethics separately, the authors do appreciate the role played by communication in expressing expected value-commitment within firms. According to Schenebel and Bienert (2004), proper communication should efficiently demonstrate the leader's position, highlight that the expected values are goal-oriented, and show that values are related to the organisation's targets. As Schenebel and Bienert(2004) postulate, communication is the only way through which values, norms, and rules can be made visible. Thus, the bottom line is that communication is an effective tool in ensuring business ethics, implying that a comparison between family and non-family business ethics should be based on the effectiveness of this tool.

Communication, as an enhancer of business ethics, is important in comparing ethics between family and non-family businesses. Payne et al. (2011) discuss the role of communication in a concept referred to as the organisation virtue orientation (OVO), which simply refers to the various dimensions of virtues in organisations. Based on this literature, communication, and narratives impact stakeholders' views of OVO. Simply put, communication determines the perceptions of all involved personnel towards organisations' virtues. However, this understanding is quite complex considering that it is based on a concept developed uniquely and subjectively by Payne et al. (2011). For an easier and more objective view of communication in family and non-family businesses as a tool to ensure ethics within a firm, one needs to revisit the research by Ceja et al.

(2010). Ceja et al. (2010) have intensively discussed communication in family and non-family businesses as both a value and a skill. Ceja et al. (2010) claim that communication is more valued in family businesses than in non-family businesses. Their justification for this unique focus is that communication is crucial in family functioning and wellbeing, thereby explaining its importance in family-owned businesses. Their suggestion is summarised in the statement that "the complex intertwining of the family and the business systems in family-owned corporations makes good communication both more important and more challenging than in any other types of organisations" [Ceja et al., (2010), p.22].

To prove that communication is more oriented to family businesses than non-family firms, Ceja et al. (2010) conducted a study using this variable. The study results indicated that six out of the 100 investigated family firms mentioned communication as an important value in the transfer of their ethics. On the contrary, communication was not mentioned in any of the non-family businesses, implying that this value is linked more to family firms than non-family organisations. The importance of communication is also established by Belak et al. (2012). According to Belak et al. (2012), one of the things that characterise a person as moral, especially for a manager, is their ability to communicate about ethics and values to their colleague. One of the hypotheses by Belak et al. (2012, p.435) is that "Candid ethical communication is presented to a greater extent in the family than in non-family businesses". The results of the study conducted by Belak et al. (2012) positively confirm this hypothesis. Indeed, candid ethical communication is more common among family businesses than it is among non-family businesses. These results are consistent with the findings by Ceja et al. (2010), who, as highlighted earlier, proved that communication is linked to family businesses more than non-family firms. Seeing that communication is proven to be vital in enhancing an organisation's ethics, one might claim from these findings that family businesses have the upper hand when considering this value, meaning that they have better chances of being more ethical than non-family firms.

3 Culture and ethics in family and non-family businesses

Culture is often cited when discussing matters regarding ethics, especially in relation to businesses. As such, one can appreciate the efforts by Duh and Belak (2010) who have chosen to discuss culture and its influence on the ethics of family versus non-family enterprises for it increases understanding of the issue. Duh and Belak (2010) show that culture, alongside a business's core values, are central to an organisation's ethical behaviour. More importantly, Duh and Belak (2010) claim that in family enterprises, the organisational culture is determined by the beliefs, values, and personality of the founder. Duh and Belak (2010) conducted a study to determine the impact of culture on a firm's ethics. The study involved 11 family enterprises and 17 non-family firms. The results of the study indicated that clam culture influenced family business ethics at 72% prevalence, contrary to non-family firms whose prevalence on the same was 41%. For adhocracy cultures, family businesses led at 18.18% and followed by non-family enterprises at 5.88%. However, concerning the market and hierarchical cultures, non-family enterprises were leading at 23.52% and 29.41%, respectively, followed by family businesses at 0 and 9.09%. Thus, families seem to be less concerned with the market and more concerned with their clan cultures. Support for these claims is given in the research by Bertrand and

Schoar (2006) who claim that culture shapes the values and beliefs of the founder, who in turn is willing to dismiss financial returns for the sake of ensuring optimal utility and maintain respect for family values and obligations. From this analysis, therefore, it seems that family businesses maintain a culture that supports their values and beliefs as initiated by the founder, contrary to non-family businesses.

4 Morality and ethics in family and non-family businesses

Scholarships have different thoughts concerning the state of ethics in both family and non-family firms. Adams et al. (1996) have explored these differences and discussed them under 'no difference', 'more ethical', and 'less ethical'. According to their research, family businesses are either one of these states when compared to non-family businesses (Adams et al., 1996). Regarding 'no differences', Adams et al. (1996) claim that family businesses may be neither more not less ethical than non-family organisations. The justification for this equality or, rather, lack of certainty regarding the ethical differences between family and non-family businesses is that moral reasoning is highly impacted by situations, meaning that ethicality varieties. As Adams et al. (1996) assert, even when ethical actions are carried as a product of both moral and individual reasoning and unique organisational circumstances, the firm may surpass the expected discrepancies between behaviour and moral reasoning. In this case, therefore, the argument by Adams et al. (1996) is that moral reasoning varies depending on the context and, as such, one cannot rightfully judge family and non-family businesses owing to differences in context. These thoughts are understandable considering that in their research, Adams et al. (1996) found that no significant difference exists between family and non-family companies in terms of constituents of ratings if personal and others' ethical behaviours, ethical codes, and organisations' responses to ethical concerns. These thoughts are also present in the literature by Vazquez (2018). Though Vazquez (2018) derives part of his understanding from the literature by Adams et al. (1996), the author still understands that though people act based on their moral development, the organisational context significantly affects their behaviour during business decision-making. Some of the named contexts where such is possible include rewards and punishments, enterprise goals and objectives, and beliefs of conformity (Vazquez, 2018; Adams et al., 1996). However, some researchers like de Groot and Antonsson (2012) do not align in thought with Adams et al. (1996) regarding the insignificance of moral behaviour in influencing ethical behaviour.

According to de Groot and Antonsson (2012), morality motivates responsibility and ethical behaviour. From one of their respondents in their study, the authors learned that a manager's moral motivation is based on an individual understanding, while morally responsible behaviours are influenced on a cooperate level. Though this analysis aims at showing the importance of morality in guiding ethical actions, de Groot and Antonsson (2012) align in thought with Adams et al. (1996) regarding the influence caused by cooperating contexts in moral actions and ethical behaviour. More specifically, regarding family ethics, de Groot and Antonsson (2012) claim that these organisations are "more personal and value trust, human development and openness" (p.42). On the other hand, non-family organisations are more ambitious and focus on entrepreneurship and dynamism. From their analysis, therefore, one is driven to think that family businesses are considered more ethical than non-family businesses.

5 Religion and ethics in family and non-family businesses

Morality as a source of ethics in family and non-family businesses is linked to religiousness. Dieleman and Koning (2019) explore the role of religion in morality and ethics for businesses. According to Dieleman and Koning (2019), besides culture and sustainability, religion is another key factor that defines ethics in family businesses. In their analysis, it is revealed that religion in family businesses link the values of owners and managers to the organisation's cultures. However, the authors note that the relationship between family ethics and religiousness is yet to be understood. Nevertheless, regardless of a lack of understanding between these factors, one cannot dismiss the role religion plays in shaping personal and organisational approaches to ethics (Dieleman and Koning, 2019). To understand this point, it pays to look into the research by McKay and Whitehouse (2015) regarding the connection between religion and morality. Similar to Dieleman and Koning (2019), McKay and Whitehouse (2015) cite that the belief that religion is a precursor to morality is prevalent and deeply ingrained within people. However, just as Dieleman and Koning (2019) highlight, McKay and Whitehouse (2015) note that the connection between these two concepts is yet to be understood, especially from a scientific perspective. Though McKay and Whitehouse (2015) caution that this topic is misunderstood and thus there exists a knowledge gap that needs to be filled, he does agree that some aspects of religion influence other aspects of morality.

From the claims by McKay and Whitehouse (2015) regarding the connection between religion and morality, one is driven to understand why Dieleman and Koning (2019) believe that family businesses are more morally oriented because of their increased religiousness in comparison to non-family businesses. In their analysis of one of the family firms in China, religion was presented as the most cited factor in family businesses. This aim was evidenced by the results of a word frequency count that showed religion was mentioned 1832 times. From this count, the keyword 'God' was mentioned more frequently (Dieleman and Koning, 2019). Following these results, Dieleman and Koning (2019) concluded that religion was the most important origin of identity in family businesses.

Astrachan et al. (2020) also explore the relationship between religion and morality in family businesses. Similar to Dieleman and Koning (2019), Astrachan et al. (2020) link spirituality and religion to the source of sustainable ethical behaviour in family businesses. When compared to non-family enterprises, religion is given more space in family businesses. As Astrachan et al. (2020) evidence, family firms are often religious because of the influence brought by the founder's religious convictions. According to this research, though this factor is often overlooked, religion acts as an overarching logic that avails a collection of principles that guide the daily practices in family businesses and the relationships among stakeholders. Carradus et al. (2019) explore a similar issue, though their investigation centres on connecting faith and stewardship in family businesses. Carradus et al. (2019) found that religion played an important part in the sense of stewardship associated with family organisations and consequently, aspects of moral and ethical decision-making. Their research revealed that family firms focus on a God-centred purpose alongside commercial functions. Their research also adds to the findings by de Groot and Antonsson (2012) regarding the role of morality in shaping organisational behaviours. To support the views by both Astrachan et al. (2020) and Dieleman and Koning (2019), the focus is directed towards the literature by Dewi and

Dhewanto (2012). What makes this literature special is that it immerses itself in discussing Islamic family businesses, contrary to the others whose main focus has been on Christianity. Regardless of this difference in religious denominations, the results and assertions by Dewi and Dhewanto (2012) are similar to those of the authors discussed herein. Indeed, Dewi and Dhewanto (2012) claim that religion sets overarching principles in the operation framework of family businesses. Thus, according to the collective scholarship thought, despite the issues that arise with religion, it forms a framework for most family businesses to use as guidelines to their principles.

6 Organisational values and ethics in family and non-family businesses

The ethics of family-owned businesses can be compared against those of non-family firms based on the values each holds. This thought is mostly present in the research by Vazquez (2018), who asserts that values, goals, and personalities of families permeate across cultures, impact trust levels, are created from rationality and emotions, act as guidelines, and are noted through 'typical patterns' such as a predilection for stability and parental care. The main point presented by Vazquez (2018) is that values specific to the firms as explored herein direct ethical behaviour in family organisations, contrary to non-family businesses that are devoid of such values. However, these values are not always specific to family businesses. Rather, there are common values between family and non-family firms that though different, influence the ethics of these organisations. To get a better understanding of this thought, it is important to look at the research by Ceja et al. (2010), who discusses the commonest values linked to family-owned businesses.

It is rightful to claim that the values presented by Ceja et al. (2010) equate to the ethics of family-owned businesses. To understand the perspective of Ceja et al. (2010), it would prove effective to look at their meaning of values/ethics. According to Ceja et al. (2010), values refer to concepts or beliefs that concern admirable objects, behaviours, and/or end of states. Ceja et al. (2010) add that these desirable qualities surpass specific situations and lead to evaluation and selection of behaviours, events, or things and that they are sorted based on relative importance.

6.1 Integrity and ethics in family and non-family businesses

Upon looking at this piece of literature, one value that defines firms' ethics as presented by the authors is integrity. Indeed, Ceja et al. (2010) identify integrity as a desirable value that defines a firm's ethics. To Ceja et al. (2010), integrity refers to an entity's ability to behave based on the most complete good. Payne et al. (2011) have similar ideas to Ceja et al. (2010) concerning the importance of integrity as an illustrator of ethics. However, their understanding of integrity is different from that of Ceja et al. (2010), seeing that they relate the virtue to honesty, sincerity, social-responsibility, and trustworthiness. Irrespective of this difference in definition, one cannot dismiss the ideas presented by both regarding the contribution of integrity to a firm's ethics. In their research that involved 142 family firms and 274 non-family businesses, Payne et al. (2011) found that integrity was prevalent in these firms at a mean of 0.29 and 0.31, respectively. From these findings, non-family businesses are presented as entities that value integrity more than family firms. This thought is also presented by Ceja et al. (2010). In their research, Ceja et al. (2010) found that the occurrence of integrity as a core value for family and non-family firms was 36 and 39, respectively. Therefore, integrity is a value linked more to non-family than family firms.

An interesting approach is presented by Plant et al. (2011) concerning ethics in family and non-family businesses. According to Plant et al. (2011), ethical and behavioural codes play an important role in family businesses. Plant et al. (2011) analyses the impact of using written and unwritten codes, though they do not establish the significance of one in contrast to the other. However, the authors do appreciate that code compliance practices increase the ethics of family firms. Some of the discussed code compliance practices include verbal communication, writing, formal introduction in orientations, and training classes. Regardless of the practice employed in individual family firms, the codes of ethics associated with family firms are often referred to in special situations, especially during negative employee behaviour. Similar to Ceja et al. (2010) and Payne et al. (2011), Plant et al. (2011) claim that integrity is a common value associated with ethical family businesses. However, this research is quite lacking, considering that it focuses mostly on family businesses and does not cover the ethics in non-family businesses. To fill this gap, therefore, it pays to look at other research that cover non-family businesses as well as family firms. An example of such literature is offered by Belak et al. (2012), who analyse the use of institutional measures for business ethics implementation in family and non-family businesses.

6.2 Respect and ethics in family and non-family businesses

Respect is another common virtue that translates to business ethics, especially when concerning family-owned businesses. According to the research conducted by Ceja et al. (2010), alongside integrity, respect appears to be a critical value for contemporary organisations. However, the authors note that respect is more common for non-family organisations than it is for family firms. In their study, Ceja et al. (2010) found that among the studied family-owned businesses, 23 of them mentioned respect as a core value to their operations. This number is slightly lower than that of non-family businesses, seeing that 25 out of the 100 studied non-family firms confirmed respect to be a crucial element in their ethical values. However, these findings are quite confusing considering that Ceja et al. (2010) explain that even during spontaneous messages, family members often respect other members' feelings and differences.

6.3 Empathy and ethics in family and non-family businesses

Though other authors like Payne et al. (2011) have touched on others' respect as a distinguisher between the family business and non-family firms' ethics, their analysis emphasises more on empathy as a more important virtue. Payne et al. (2011) claim that respect can be described on the scopes of being more supportive, reassuring, sympathetic, and concerned. The results of the study by Payne et al. (2011) show that empathy is related more to family businesses than non-family organisations at an average of 13.09 against 0.74, respectively. Indeed, Payne et al. (2011) assert that family businesses have a more empathetic and warmer culture than non-family businesses, thereby demonstrating that they are more virtuous. Though not as intensive as Payne et al. (2011), Ceja et al. (2010) have discussed the role of empathy in contributing to the virtues and ethics of family and non-family firms. However, their definition of empathy is quite different from that of Payne et al. (2011), seeing that Ceja et al. (2010) understand empathy as the capacity to feel the affective state of another person or, rather, demonstrating concern for another person based on what one imagines it would feel to be in the shoes of the person in question. Understandably, empathy is more common among family businesses than non-family firms, possible because of the transfer of family values to the former.

Family-founded businesses are more likely to comply with business ethics more than non-family-owned businesses. Founders and management comply with ethics because, in most cases, they are making long-term investments (Campopiano and De Massis, 2015). Management of family-owned businesses has to please the stakeholders as well as get validated by the public. Basly (2017) asserts that family business complies more with ethics because the companies, in most cases, have to be passed on to the next generations. When family members are running businesses, they tend to be more cautious because they need to maintain the wealth and status of these businesses. Basly (2017) further affirms that when older family members are passing down businesses to their successors, they emphasise the importance of business ethics for the companies' success.

Family-owned businesses aim at sustaining control and success. Such kinds of businesses, therefore, create contracts and are stricter with the way businesses are run (Basly, 2017). Family businesses are therefore keen on management, and failure to comply with ethics might affect the performance and status of the business. Similarly, Plant et al. (2011) affirm that codes of ethics are passed down generations to help maintain businesses' success. Maintaining a family's value down the generations is important for family-owned companies because, in most cases, these values form the basis upon which the businesses thrive. Vazquez (2018) asserts that family business addresses ethics and at family levels and defines how powers are to be distributed. The family business executive, therefore, has to comply with the requirements of the family, including the ethics, because of the written agreements.

6.4 Trust and ethics in family and non-family businesses

Trust is a crucial value in family businesses. In their analysis, though they have not explored this value intensively, Ceja et al. (2010) do appreciate the role of trust in family relations. As they establish, trust and firmness are developed in a family's upbringing. Others like Vazquez (2018) affirm that trust dominates family firms' values and that it is among the crucial attributes to look for in role modelling and encouraging ethical behaviour in these organisations. For a deeper analysis of trust as a common value in family businesses, one must turn to the research by Ceja et al. (2010). According to Ceja et al. (2010), lack of trust results in the generalisation of unethical behaviour. However, Interestingly, Ceja et al. (2010) did not find the trust to be a common value associated with family firms. Rather, their study revealed that trust was perceived as a core value for non-family businesses at a prevalence of 12 out of 100 of the samples collected. However, other researchers like Erdem and Atsan (2015) would disagree with the position taken by Ceja et al. (2010) since they highlight trust to be a core element of family businesses. In their research, Erdem and Atsan (2015) justify family's reliance on trust as the increased complicated emotional dynamics that exceed those in non-family businesses. Erdem and Atsan (2015) conducted an interview to help understand the perceptions of trust between non-family and family employees. In their interview, the authors identified that trust is generally comprised of honesty, frankness, contentedness, sincerity, and truthfulness. Their research also reveals that trust among non-family members is perceived to be more important than that of family members. Basing their research on the findings from interviews and from other scholarships, Erdem and Atsan (2015) conclude that a higher trust, participation, and business climate is linked to family companies than non-family enterprises owing to better social relations. The authors also add that the trustworthiness of family business owners determines the level of trust.

Ayranci (2017) has also discussed trust as an essential value describing family businesses, similar to Erdem and Atsan (2015). Concurrent with the affirmation by Erdem and Atsan (2015), Ayranci (2017) believes that though family firms dominate the world's business market, less is known about these businesses. Ayranci (2017) also confirms that trust is a key ingredient in 'familiness', thereby crediting it as a core value that defines family businesses. Other researchers who have explored trust as a common value I'm family businesses are Eddleston et al. (2010). Eddleston et al. (2010) discuss trust in terms of the theoretical frameworks it is contained within. These frameworks include the social capital theory, agency theory, and stewardship theory. Eddleston et al. (2010) also add that trust is interwoven within the numerous layers of family businesses, thereby describing one of the unique features of these firms. Similar to Ayranci (2017), Erdem and Atsan (2015) appreciate that manifestations of trust in family businesses are among the qualities that distinctively isolate family businesses from non-family firms. The collective understanding of trust as a determiner of ethics in family businesses is provided by Erdem and Atsan (2015), who point out that trustworthiness translates to ethical conduct through values such as contentedness and truthfulness. Such notions can be considered accurate when looking at other researchers who analyse trust and ethics objectively without concerning themselves with the nature of the firms, family or not. An example of such researchers is Müller et al. (2013), who link trust to ethics and governance. As they show, trust is among the important mechanisms meant to execute governance, which in turn aids in ethical decision-making.

7 Corporate social responsibility and ethics in family and non-family businesses

Campopiano and De Massis (2015) assert that family businesses act more ethically following research carried out on Corporate Social Responsibility reporting. Family businesses are more sensitive to their reputation than non-family-owned businesses. Campopiano and De Massis (2015) claim that there is no major difference between the way family-owned businesses and non-family-owned businesses treat employees. The difference comes about the concerns that family business has the impacts that negative publicity will have on the business image. Contrary to this, Vazquez (2018) asserts that the business ethics of family-owned businesses are different from those of non-family-owned businesses. Campopiano and De Massis (2015) posit that the response that family-owned businesses elicit towards legal standards is different from non-family-owned businesses. Environmental standards, for instance, are more likely to be complied with in family-owned businesses than their counterparts. Campopiano and De Massis (2015) further claim that family firms have to comply with ethics because their motivators are not only achieving economic superiority.

Family businesses focus on having loyal workers (Vazquez, 2018). Family businesses are also more likely to uphold ethics and deliver better quality to their clients. Campopiano and De Massis (2015) support this claim by asserting that there is a major difference between how non-family-owned businesses provide quality services to their clients. Family-owned businesses value their employees and focus on the value that these employees will add to the business on a long-term basis. Campopiano and De Massis (2015) recognise that maintaining ethical standards in family-owned businesses comes off easily because employees are considered a part of the family.

Business ethics is a concept that is often linked to corporate social responsibility, and as such, it is vital to analyse family businesses from this scope and compare them against non-family businesses. According to Goel and Ramanathan (2014), the main idea behind CSR is to ensure that firms do what is 'morally' responsible and take care of the affairs of the larger community. Considering that ethics is often linked to morality as per the research by Ceja et al. (2010) and Vazquez (2018), then one can say that CSR is a common factor that shows a business's ethics. Ceja et al. (2010) research the responsibility associated with family and non-family firms. One would typically understand that family businesses can be considered more responsible than non-family firms. Such claims can be proven through the research by Ceja et al. (2010) concerning this value. In their study, Ceja et al. (2010) proved that family businesses are more responsible than non-family organisations through the study results that highlighted that 15 of the formerly identified responsibility as a core value, contrary to the 13 in the latter. Regardless of this slight difference in numbers, Ceja et al. (2010) establish that responsibility is a key value in business ethics, thereby placing family-owned businesses in front of non-family firms. Ceja et al. (2010) justify these results and claims by highlighting that possessing the family name gives managers and other leaders in family organisations a feeling of responsibility and stewardship towards their family and the society wherein they are located. Additionally, these organisations have a sense of responsibility to maintain a good family name (Ceja et al., 2010).

Corporate social responsibility as an indicator of ethics in family and non-family businesses is discussed in a wide range of literature. For instance, Ceja et al. (2010) link CSR to the sense of accountability with which companies are held that forms part of business ethics standards and indexes. However, this author only notes CSR's existence in family businesses rather than intensively discussing the concept. For a deeper understanding of CSR and these organisations, it would prove effective to look at the ideas by Adams et al. (1996). Concerning responsibility, Adams et al. (1996) have the same argument as Ceja et al. (2010) regarding maintaining a good family name, hence necessitating family organisations to act in a more socially responsible manner. In their review of other literature, Adams et al. (1996) determined that managers to family firms cannot afford to be perceived by others as entities that act unethically and against the community's interest. Adams et al. (1996) also add that increased personal investments of family members create the notion that acting unethically outweighs any business gains.

Ceja et al. (2010) and Adams et al. (1996) are not the only researchers who concur in thought regarding the increased responsibility associated with family businesses. Rather, others like de Groot and Antonsson (2012) support this idea, claiming that irrespective of the existence of a code of conduct, in the end, individuals are supposed to act responsibly and, thus, ethically. de Groot and Antonsson (2012) also present a rather interesting idea that is inexistent within the literature by Adams et al. (1996) and Ceja et al. (2010). Rather than present responsibility only in its social/communal context, de Groot and Antonsson (2012) evaluate responsibility as a moral motivation. By highlighting the integrative use of social responsibility programs and ethical codes, de Groot and Antonsson (2012) establish that these factors are paramount in ethical decision-making.

Yazici et al. (2018) also compare the CSR associated with family businesses and that which is linked to non-family companies. However, their findings differ from those provided by Adams et al. (1996) and Ceja et al. (2010), seeing that the results from the authors' study indicated that non-family organisations are more socially responsible than family firms. The authors' study compared the CSR performances in 64 non-family and family businesses within the United States. The authors used variables such as the top management team (TMT) composition, community rating, employee ratings, environment ratings, overall CSR ratings, and the CEO and chairman of the company (governance ratings) to test these companies for their social responsibility (Yazici et al., 2018). The results indicated that non-family businesses outperformed family firms in the overall employee, community, and environment CSR ratings. Accordingly, the authors concluded that non-family businesses are more socially responsible than family organisations.

A possible explanation for these findings, as posited by Yazici et al. (2018), is that family businesses are self-interested and, therefore, reluctant to CSR. These findings are consistent with those provided in the research by Laguir and Elbaz (2014), who investigate family firms and CSR in the French stock market. The findings and analysis offered by these authors are relevant to this study because it provides information concerning a different population to the one explored by Yazici et al. (2018). Seeing that Yazici et al. (2018) and Laguir and Elbaz (2014) have similar findings irrespective of differences in the population of focus, some form of universality in findings is derived from both studies. However, though Laguir and Elbaz (2014) claim that family businesses demonstrate a negative association between family businesses and CSR, they claim that the situation is different when such businesses are headed by someone who is not a family member. Nevertheless, they assert that family businesses are highly self-interested and only wish to defend their parochial interests. This thought is comparable to that by Yazici et al. (2018). Therefore, when looking at CSR and family businesses against non-family firms, the odds are more in favour of the latter than the former, as shown through the literature by Yazici et al. (2018) and Laguir and Elbaz (2014).

Most pieces of literature indicate that family businesses are not as socially responsible as non-family firms. This is prevalent in the research by Campopiano and De Massis (2017), who investigates the impact of family involvement on a business's CSR. This research focuses on the Italian population and uses 136 family firms for the survey used to collect data. The authors found that among these firms, family involvement is, indeed, impactful to any business. However, the influence presented by these authors is quite negative, seeing that the authors found that with the increase in shares owned by family members comes decreased CSR. The same effect was felt when the business owner is split amongst family members and even when the firm is inherited. Thus, Campopiano and De Massis (2017) present family involvement as a negative factor in a firm's CSR engagement. These thoughts are consistent with those printed by Yazici et al. (2018) and Laguir and Elbaz (2014), whose research at this point act as a guideline to the ones that follow.

Others like Starnawska and Popowska (2015) cannot seem to make up their mind concerning the impacts of family involvement on the firm's CSR. Rather, the authors present both the negative and positive factors that influence CSR in family businesses. According to Starnawska and Popowska (2015), some of the factors that positively attribute to a firm's CSR are family ownership, influence, and involvement. Also, similar to López-Cózar Navarro et al. (2014), Starnawska and Popowska (2015) identify 'families' as a resource that can increase a business's CSR. However, the authors do not entirely support the idea that family businesses are more socially responsible than non-family companies. Instead, the authors note that the available theory is that family businesses are internally oriented. Hence, such businesses behave responsibly by emphasising the interests and benefits of the family. Simply put, family businesses are often self-centred, meaning that it is part of the family business system nexus. Similar thoughts are presented in the literature by Hirigoyen and Poulain-Rehm (2014), who investigate this topic on an international level. The study conducted by these authors focused on discussing the various dimensions of CSR respective to organisations, among which include engagement with shareholders, corporate governance, and balance of power. From the data collected from a survey of 363 companies, Hirigoyen and Poulain-Rehm (2014) found that contrary to expectations, family businesses are less-engaged with their shareholders. The previous thought was that family businesses are closer to the shareholders, thereby suggesting that the results came as a surprise to the researchers. Nonetheless, it is essential to note that Hirigoyen and Poulain-Rehm (2014) identify the aspects of CSR that are negative to family businesses are factors such as the environment, employees, diversity, and products. The authors note that such findings are shocking, seeing that families are thought to be more engaged in human relations.

8 Conclusions

Regardless of some studies' assertions that family businesses are less socially responsible than non-family firms, one cannot ignore that others seem to disagree with this idea. For instance, in the research by Aragon-Amonarriz and Iturrioz (2020), the authors discuss theories such as the stewardship theories that assert that managers and leaders in family businesses act as stewards in these organisations, thereby adjusting their behaviour to ensure the production of high yields for the collective group than selfish conduct. This theory duffers directly from the findings by Laguir and Elbaz (2014) and Yazici et al. (2018), whose works of literature show that family firms are highly self-centred. However, such is not the case for Aragon-Amonarriz and Iturrioz (2020), seeing that the authors add that at 43%, social responsibility in family businesses is oftentimes impacted by responsible family ownership. Other factors discussed by the authors include responsible financial decisions, the responsible concern for an equilibrium between family and non-family stakeholders, shared family commitment, and family succession formalisation. López-Cózar Navarro et al. (2014) support the idea by Aragon-Amonarriz and Iturrioz (2020) that family businesses have unique traits that would typically put these firms in front of non-family firms in terms of social responsibility. Lopez-Cozar et al. (2014) explore these special characteristics that justify their thought that family businesses are more socially responsible than non-family firms. Some of the traits they explore include strong connections to the local community, long-term orientation, 'families', and transmission of strong family values (López-Cózar Navarro et al., 2014). However, the authors also warn that other traits could also negatively impact CSR, including paternalism, nepotism, the priority of family interests, and centralised decision-making. Thus, the point is given by López-Cózar Navarro et al. (2014) regarding the family's priority of their interests inclines more towards the findings by Laguir and Elbaz (2014) and Yazici et al. (2018) than it does the findings by

Aragon-Amonarriz and Iturrioz (2020). Nevertheless, the authors fail to provide a comprehensive conclusion regarding the overall CSR state in family businesses as well as non-family firms.

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