

Essays on Family Firm Internationalization

PhD Student: **Ton Nu Khoa Nguyen**

Supervisors: **Prof. dr. Alain Verbeke and Prof. dr. Elvira Haezendonck**

Family businesses are widely documented as the most prevalent type of ownership structure globally. Representing the intersection of the two most central aspects of individual life, namely family and work, this organizational form exerts undeniable power on both society and the global economy. Despite their ubiquity, family firms demonstrate considerable disparity in long-term business results and operational longevity. Certain businesses exhibit a limited lifespan, often mirroring the tenure of the founding owner, and rarely persist beyond the third generation. Some others, like Molson Coors (United States), Merck (Germany), Kikkoman (Japan), to name a few - have operated over centuries, expanded across their national borders and become the world leaders in their field. Extant literature in this field, therefore, has intensively evolved, contributing a sophisticated reservoir of knowledge to identify the specific factors that underpin their continuity and resilience, which ultimately differentiate them from other competing entities.

In this context, research on family firm internationalization has progressed at a slower pace than the general topics in both family and international business. Despite valuable recent contributions, the existing body of research remains partial with several, substantive knowledge gaps, particularly regarding the controversial debates surrounding the influence of family-related characteristics on internationalization.

Given the challenges in this research field, this dissertation aims to enhance understanding of family firm internationalization by focusing on internationalization decisions and the resulting performance effects. Rather than engaging in the debate over whether family involvement yields a negative or positive impact, this dissertation follows the research line that investigates the heterogeneity among family firms to explain their divergent internationalization patterns.

Specifically, this research applies internationalization theory and a related concept - bifurcation bias, which describes the disparate treatment of non-family vs family-related resources (Verbeke &

Kano, 2012). Grounded in these insights, I start with the expected role of bifurcation bias as the underlying mechanism shaping the internationalization trajectory of family firms. Yet, the magnitude of extant bifurcation bias and its resulting impacts on family firms' performance are contingent upon an array of distinct determinants. This dissertation identifies some heterogeneous features of family firms that might decide this bias level, and consequently, influence their international decisions and performance. Methodologically, this dissertation pairs a systematic literature review with empirical analyses conducted within the context of publicly listed, German FFs. Through these endeavors, this dissertation demonstrates the enduring relevance of (i) internationalization theory, recognized as one of the foundational theories in international business research; and (ii) the bifurcation bias concept, to understand family firm internationalization. Concluding with actionable insights, this thesis offers critical implications for both theory and managerial practice.