

ENTREPRENEURIAL ORIENTATION AND INNOVATION SUCCESS IN FAMILY FIRMS

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The entrepreneurial orientation can significantly improve firms' innovation, both for family and non-family firms (Li et al., 2006). Although family firms are usually considered to be more conservative and risk-adverse than non-family firms (Jaskiewicz et al., 2015), some recent studies proposing that family businesses can be very innovative and aggressive in their markets (Craig et al., 2014).

This paper examines whether the status of family firms is related with the firm's entrepreneurial orientation or not. Furthermore, it is suggested that the relationship between entrepreneurial orientation and innovation, in particular new products success, is stronger in family firms than in non-family firms. Studying this relationship may shed light on the controversy detected in the literature regarding the link between entrepreneurial orientation and innovation in family firms.

Using a sample of 268 firms (family and non-family), the findings show that entrepreneurial orientation and the family status of a firm are not contradictory characteristics. In addition, they provide support to our proposition that family status moderates positively the link between entrepreneurial orientation and new products success.

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