

BEYOND THE FOUNDER

HOW CAN A FAMILY BUSINESS KEEP THE ENTREPRENEURSHIP FLAME ALIVE?

This executive summary and set of practitioner insights were developed by the Family Business Centre, based on Bloch, A., Joseph, A., & Santi, M. (2010) *Propelled into the future: Managing family firm entrepreneurial growth despite generational breakthroughs within family life stage. In Transgenerational Entrepreneurship*

This summary draws on the core findings of Bloch et al. (2010), with interpretation and application developed for a family business audience.

Family firms often begin with bold ambition but sustaining that spirit across generations is another. Too often, the entrepreneurial drive that fuels the first generation often fades as leadership passes down. The book chapter on which this summary is based seeks to propose a solution to this.

Through two standout French case studies: VIRBAC, a veterinary pharmaceutical company, and SALM (Schmidt Groupe), a bespoke kitchen furniture manufacturer, the authors show how both companies overcame the sudden loss of their founders in the 1990s and returned to high-growth, innovation-led performance.

The authors propose a three-stage process to explain how both companies maintained their entrepreneurial drive by drawing on two well-established frameworks from organizational and entrepreneurship theory: **Entrepreneurial Orientation (EO)** and **Familiness**. **EO** explains a firm's **behavioral tendencies toward proactiveness, innovation, and risk-taking**, while **Familiness** refers to the **unique, enduring resources generated by family involvement such as deep trust, patient capital, and shared values**.

BUT WHAT DOES THIS MEANS FOR YOUR FIRM?

Continue reading to learn our **three key processes** and **questions** to ask in your family firm!

1

FOUNDER-LED GROWTH: BUILDING ENTREPRENEURIAL ORIENTATION

- Founder-led entrepreneurship orientation drives market creation and rapid growth.
- Founders in both cases were bold, risk-taking and customer centric.

KEY TAKEAWAY: Cultivate and maintain a founder's mindset: empower teams to experiment and embrace failure as learning.

2

PROFESSIONALISATION AS A STRATEGIC INTERLUDE

- Both families delayed succession and introduced seasoned external managers who helped formalised and codify the founders' entrepreneurial drive
- This interlude allowed the next generation enough time to be prepared for leadership rather than being rushed early.

ACTION POINT: Use the professionalization phase to translate values into processes.

3

SECOND WAVE GROWTH UNDER A NEW GENERATION

- After a decade of professional management, both company shifted back to growth mode under family leadership.
- The new family leaders benefitted from formalised governance processes, enabling them to take on risk with more confidence.

KEY TAKEAWAY: Match succession planning to readiness. Good governance structures provide a platform for the next gen to innovate.



QUESTIONS TO ASK WITHIN YOUR FAMILY FIRM



Have we translated our founder's entrepreneurial spirit into lasting systems and governance or do we rely only on stories?



Are we creating space for the next generation to lead, take risks, and learn in a safe environment?



Does our governance structure foster long-term stability without holding back innovation and fresh thinking?



Are we treating succession as a handover or as a launchpad for entrepreneurial reinvention?