Organizational identity construction in family businesses a dualities perspective

BÖRJE BOERS

This dissertation is about organizational identity construction with a dualities perspective. By taking a dualities perspective the focus shifts from assuming that organizational identity actually is in place towards organizational identity construction where identities are socially constructed. A dualities perspective is very suitable for studying family business where family and business are seen as interdependent and interconnected forming a duality. Family business is an identity statement. Family business identities are constructed by stakeholders by managing a set of dualities. Dualities cause tensions because of the dual poles. These tensions need to be balanced in order to draw on both poles and maintain the family business identities.

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The dualities perspective broadens studies on organizational identity construction as it accounts for the peculiarities of family businesses. I argue that these dualities are basis for constructing organizational identities that require stakeholders to work with managing the inherent tensions in the dualities.

Based on my findings I recommend owning families to consider that being a family business is an identity statement implying that other stakeholders will consider them as role model whether they like it or not. Therefore owning family members should devote attention to manage dualities and balance inherent tensions.
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Jönköping, August 2013
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Abstract

This dissertation is about organizational identity construction with a dualities perspective. By taking a dualities perspective the focus shifts from assuming that organizational identity actually is in place towards organizational identity construction where identities are socially constructed. A dualities perspective is very suitable for studying family business where family and business are seen as interdependent and interconnected forming a duality. Family business is an identity statement. Family business identities are constructed by stakeholders by managing a set of dualities. Dualities cause tensions because of the dual poles. These tensions need to be balanced in order to draw on both poles and maintain the family business identities.

In an empirical study of two media organizations dualities of informality-formality, independence-dependence, historic paths-new paths, and commercial-journalistic are used to understand how stakeholders balance the tensions in these dualities and thereby construct organizational identities. The study reveals the central role of owning family members in organizational identity construction. It is important to balance interests between owning family members and generations. Otherwise it is possible that tensions develop between owners which can endanger the organization.

The dualities perspective broadens studies on organizational identity construction as it accounts for the peculiarities of family businesses. I argue that these dualities are basis for constructing organizational identities that require stakeholders to work with managing the inherent tensions in the dualities. This means that owning family members and organizational members are continuously involved in constructing organizational identities when managing the dualities.

For the organizational identity literature, the study offers a focus on the processes of organizational identity construction in the most common business organization, i.e. family businesses. Owning families play an eminent role in processes of organizational identity construction which future research should consider. Owning family members can initiate or trigger organizational identity construction processes because they are considered as role models by other stakeholders.

Based on my findings I recommend owning families to consider that being a family business is an identity statement implying that other stakeholders will consider them as role model whether they like it or not. Therefore owning family members should devote attention to manage dualities and balance inherent tensions. Then being a family business can be advantageous because they can draw on both family and business dimensions.
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I Introduction

In this introduction I lay the ground for my dissertation which deals with organizational identity construction in family businesses. I argue that it is not the organizational identity of an organization that is the most important but how an organizational identity is constructed. I consider organizational identity construction to be an ongoing and continuous process. I chose family businesses as my empirical context for studying organizational identity construction because they are the predominant type of organizations. Focusing on family businesses I introduce a dualities perspective which accounts for the peculiarities of family businesses. This perspective illustrates the interdependent and connected character of family and business, offering a new angle on organizational identity construction.

1.1 Organizational identity and its construction

Organizational identity identity is a concept which has great appeal to many researchers, and has been on the research agenda at least since Albert and Whetten’s (1985) article. Many researchers build on their work even today (cf. Gioia, Patvardhan, Hamilton, & Corley, 2013; He & Brown, 2013; Ravasi & Canato, 2013) and thereby take organizational identity as presented by Albert and Whetten for granted, e.g. what organizational members claim to be central, distinctive and enduring about an organization. Many researchers assume that an organizational identity is in place! In other words, little or no attention is paid to how and when an organizational identity is initially formed (Gioia, Price, Hamilton, & Thomas, 2010) or how it is constructed in organizational life, or changes. Hatch and Schultz have suggested studying the processes of organizational identity formation and change (2002). An organizational identity is said to distinguish it from other organizations and to identify its similarities with other organizations. Processes of organizational identity and its construction are often lengthy (Corley & Gioia, 2004). Lately, research has suggested that it is also important to study the endurance of organizational identity (Antebay & Molnár, 2012). Organizational identity, its formation, changes and endurance are still not well understood. Formation, change and endurance are different aspects of the construction of organizational identity. Therefore I argue that it is more important to look at how organizational identity is constructed and re-constructed rather than what organizational
identity is. This implies that organizational identity construction is a continuous process. In addition, it should be noted that there is a surplus of conceptual articles compared to empirical articles in at least top-tier management journals (Ravasi & Canato, 2013). Therefore, I present a study of organizational identity construction which is not only theoretically but empirically driven by looking at family businesses which are the most common form of business organizations. The focus of this study is on constructing organizational identities in family businesses. In the following I set the stage by illuminating previous theoretical development and my empirical context.

1.2 Organizational identity and its construction in family businesses

Corley et al. (2006) argue that the construction of organizational identity is of basic importance to understanding the phenomenon of organizational identity. That organizational members construct an organizational identity implies that organizational identity is not just a metaphor, as has been suggested by some researchers (Cornelissen, 2002). Cornelissen, Haslam, and Balmer (2007, p. S10, original emphasis) also argue for the need “…to address the important question of how the identities that underpin the patternings and products of organizational life are actually formed and constructed (as well as re-formed and re-constructed).” Their starting point is the comparison and similarity between the concepts of corporate, organizational and social identity, and they put forward the idea that this question has mostly been addressed from a social identity perspective. In their view, (organizational) identity construction is an ongoing process. There are potential contradictions in the identity construct, e.g. that an organizational identity is not necessarily stable but potentially adaptive and fluid (Gioia, Schultz, & Corley, 2000).

Bouchikhi and Kimberly (2009) question whether it is possible to study the essence (an identity) of an organization. This refers back to the understanding of the nature of organizational identity (Corley, et al., 2006) and questions whether an organizational identity is a tangible asset of an organization. Instead of studying the phenomenon they suggest studying how organizational members work with the organizational identity. In line with Bouchikhi and Kimberly I argue that it is more important to study how an organizational identity is constructed over time, rather than studying an organizational identity per se. Organizational identity may exist in organizational discourses, and studying these will involve looking at how organizational members construct and work with an organizational identity. There are probably different perceptions of it among organizational members but these can co-exist (Hatch, 2005) and may lead to multiple identities (Pratt & Foreman, 2000). Studying organizational identity construction can thus help overcome some of the open
1 Introduction

questions about its temporal dimensions or relative fluidity, and can fill gaps in
the literature empirically as well as with a focus on the peculiarities of family
businesses. By studying not the object (organizational identity) but how
organizational members construct that object, organizational identity itself is
not the focal point as it is in Albert and Whetten’s view (1985).

Gioia et al. (2010) report that the initial formation of an organizational
identity may involve many different stakeholders as well as many micro and
macro processes. According to these findings, organizational identity
construction depends on many contextual aspects. Research describes
organizational identity construction as a result of internal as well as external
factors to the organization. Dutton and Dukerich, for instance, highlighted the
importance of image in the construction process (Dutton & Dukerich, 1991).
Similarly, Kjærgaard et al. pointed out the role of media coverage in
organizational members’ understanding and sense-making of an organizational
identity (2011). One essential dimension has, however, been disregarded in
most organizational identity research and general management research, and
that concerns the role of owners in, for instance, family businesses. In general,
family businesses as a special context for organizational identity and its
construction have not been reported in the mainstream literature despite their
overwhelming empirical importance. Dyer called family business the “missing
variable” in mainstream organization and management research (2003). This
argument seems to remain valid for organizational identity research.

In a review, Dhalla found several internal and external factors which
contribute to the construction of an organizational identity (Dhalla, 2007).
Dhalla (2007) notes that also with regards to this question Albert and Whetten’s
definition and conceptualization of organizational identity is prevalent in the
field. It is assumed that an organizational identity can change and adapt, and
this may lead to potential competitive advantages. There are many studies that
use the term “construction” but do not necessarily mean the same thing
(Dhalla, 2007). For instance, Whetten and others have argued that an
organizational identity is an institutionalized asset of an organization,
something that it possesses (King, Felin, & Whetten, 2010; Whetten, 2006;
Whetten & Mackey, 2002). In their view identity construction takes place
mainly with the help of identity claims (Whetten, 2006) and during certain
salient stages (Albert & Whetten, 1985). Studies dealing with organizational
identity construction often draw on identity claims (Kjærgaard, et al., 2011;
Ravasi & Schultz, 2006). Identity claims here refer to formalized statements of
identity and it has been found that identity claims can remain unchanged even
when the attached meaning alters (Ravasi & Schultz, 2006). Identity claims are
one aspect of organizational identity construction. However, there is another
stream of literature according to which organizational identity is more fluid and
under continuous construction (Gioia, et al., 2000). According to this stream
organizational identity construction is also a continuous process, but involves
not only organizational members but also other stakeholders. The construction
work becomes more important than in the view of followers of Albert and Whetten who argue that an organizational identity becomes institutionalized when viewing organizational identity as more or less continuously constructed by organizational members and others.

Since I have chosen family businesses as my empirical context I want to draw attention to what makes them different from other forms of organizations. Typically, a family’s involvement as owners and managers of the business is seen as the distinguishing factor (Astrachan, Klein, & Smyrnios, 2002; Chua, Chrisman, & Sharma, 1999; Shanker & Astrachan, 1996). Family involvement influences organizational identity construction. The role of owners in the organizational identity construction processes has only been touched upon, and organizational identity construction has so far been neglected, in the family business literature. The organizational identity literature reports that several different activities and groups of stakeholders are involved in organizational identity construction. Whereas, for instance, Scott and Lane view it as an almost exclusively managerial task (Scott & Lane, 2000) others note the importance of owners in this process (Alvesson & Empson, 2008). For Alvesson and Empson (2008) the importance of owners was an issue which they did not consider initially. Ownership is, however, a key dimension in the family business literature (Gersick, Davis, Hampton, & Lansberg, 1997; Moog, Mirabella, & Schlepphorst, 2011; Sharma, 2004). From a family business perspective, the importance of owners is known as regards strategizing (Hall, 2003; Nordqvist, 2005), but this has apparently not reached the debate on organizational identity construction. The dominant emphasis on managerial activities in the organizational identity literature has already been criticized by Gioia (1998), thus it is necessary to include the owner’s perspective in studies of organizational identity construction. Such a perspective focuses on the processes of organizational identity construction as influenced by owners. The literature does not view owners at the same level as managers. They have an insider role but depending on their involvement in the business their role differs.

The family business literature has only recently become aware of organizational identity (not construction) and applied it to the context of family business. This “borrowing” of concepts and theories without giving back has been criticized. In order to gain legitimacy family business research should give back to general management theory (Salvato & Aldrich, 2012; Sharma, 2004). The family business literature has adopted the concept of organizational identity, but it focuses on the mainstream view without considering critical issues (Corley, et al., 2006; Hatch & Yanow, 2008). Adopting the mainstream view also means that studies in the family business literature draw on organizational identity and not its construction, making it worth studying on its own. In order to be able to give back to mainstream theory I argue that it is necessary to pay close attention to the peculiarities of family businesses as regards organizational identity construction. For example, Dyer and Whetten
(2006) used an organizational identity framework in their study of the socially responsible behavior of publicly listed S&P 500 companies. Their study has been widely referred to in the family business literature when describing organizational identity in family businesses even though publicly listed family-controlled firms are only a marginal part of the population of family businesses. In addition, the study only applies organizational identity theory. They found that family owners are more concerned for their image and reputation than nonfamily firms. Similarly, the comparison of family and non-family firms does not account for the diversity and heterogeneity of family businesses (Melin & Nordqvist, 2007; Westhead & Cowling, 1998). There is a vast amount of variation between family businesses in, for instance, age, size, and degree of family involvement. This variation makes family businesses not easily comparable. It is fair to argue that family businesses are significantly different to non-family businesses, but it is equally fair to argue that there are important differences between family businesses which must be accounted for. Some researchers have adapted the concept of organizational identity and argue that family businesses may have a family firm identity (Zellweger, Eddleston, & Kellermanns, 2010). I think that the concept can be useful for understanding family businesses but due to the complexity of the concept and the diversity of the population I am cautious with an introduction through the backdoor, i.e. as a concept to help explain another concept, namely ‘familiness’. In my view, organizational identity and its construction is a powerful concept that deserves attention on its own. In a recent review Ravasi and Canato (2013) investigated empirical studies on organizational identity and found that there are three waves of studies. The first wave are studies were organizational identity was an “unexpected explanation”. In the second wave studies investigated “antecedents of organizational behavior” and in the third wave organizational identity is the object of study. Studies in the family business literature (Dyer & Whetten, 2006; Zellweger, et al., 2010) match the second wave where organizational identity was used to “investigate antecedents of organizational behavior” (Ravasi & Canato, 2013, p. 187). In the current development of mainstream research organizational identity is itself at the center of investigation.

A related issue of organizational identity which causes debate relates to organizations with multiple identities. Albert and Whetten suggested that organizations which are comprised of two elements that would not normally be expected to go together may form a hybrid identity (Albert & Whetten, 1985). Albert and Whetten (1985) referred to organizations with dual identities consisting of a normative and a utilitarian element, such as a church university. Later, in an unpublished working paper, they mentioned further examples including family businesses (Albert, Godfrey, & Whetten, 1999). Another example are law firms (Albert & Adams, 2002). Many authors take it for granted that a family business is a typical example of a hybrid identity organization (Arregle, Hitt, Sirmon, & Very, 2007; Foreman & Whetten, 2002).
Tompkins (2010) in her dissertation came to the conclusion that the way hybrid identity has been conceptualized does not match the peculiarities of family businesses. In other words, the family business is not a good example of a hybrid identity organization due to the role of ownership and its associated power. Another problem is a hybrid identity assumes a dual identity, when in some cases it may simply ignore multiple identities (Pratt & Foreman, 2000). One indirect attempt to addressing the peculiarity of family business with regards to (organizational) identity has been made by Shepherd and Haynie (2009) who suggest a family business meta-identity. This meta-identity combines the family and the business identity and can thereby solve conflicts. How this meta-identity and its included identities are constructed is not addressed, however. Nor did they consider an organizational identity perspective which was suggested in a commenting article by Reay (2009). Shepherd and Haynie, as well as Albert et al., assume that family business consists of two separate systems, i.e. family and business, which follow different logics and value systems, but this view has already been criticized in the family business literature as limiting (Whiteside & Brown, 1991). Whiteside and Brown (1991) argue that this view is too narrow and focusing on the two subsystems of family and business undervalues interpersonal dynamics, exaggerates apparent boundaries between family and business and falls short of viewing the entirety of the family business. In addition, dual and multiple identities organizations such as family businesses should require further attention to organizational identity construction than single identity organizations (Pratt & Foreman, 2000). The assumption of dual identities already implies increased complexity for organizational identity construction. Golden-Biddle and Rao found that a hybrid (dual) identity can lead to conflict and requires effort and care in organizational identity construction (Golden-Biddle & Rao, 1997).

It is known that family businesses are a particular form of organization, but how an organizational identity is constructed has so far not been studied. The involvement of family at different levels and in different roles (Gersick, et al., 1997; Hall, Melin, & Nordqvist, 2001) makes family businesses significantly different from organizations where there is no family involvement in the management or ownership. In addition, there are so many differences between family businesses that it is necessary to study different family businesses. By focusing on organizational identity construction and considering family business peculiarities it is possible to contribute to management theory as family businesses represent the dominant form of organizing business activities (Astrachan & Pieper, 2010), which have not been investigated in mainstream organizational identity research (Ravasi & Canato, 2013).

In the coming section I further illuminate the peculiarities of family businesses by introducing dualities. This will clarify why family businesses are a suitable empirical context for studying and understanding organizational identity construction.
1.3 The peculiarity of family businesses: dualities

Family businesses have been described as consisting of an overlap of family and business. It is not easy to separate what is family and what is business within a family business context, and this has led to the dual systems approach. This approach has helped develop an understanding of family businesses. It has also resulted in the three circle model in which each circle describes a system or sphere, i.e. the family circle, the business circle, and the ownership circle (Gersick, et al., 1997; Tagiuri & Davis, 1996). These three circle overlap and thereby illustrate the complexity and dynamics of family businesses. More recently, Zachary (2011) and Goel et al. (Forthcoming) argued that the socio-psychological dimensions of a family business will influence all other business dimensions within that business. Similarly, Tagiuri and Davis (1996) argued that family businesses can have bivalent attributes that are a result of the family’s role in the business. Based on this, a discussion of family business as a dualism of family and business developed. This dualistic view implies an either/or logic, i.e. that one has to choose between the family and the business. Similarly, Carlock and Ward suggested that there is a need to decide whether to put family versus business first: “Family members can be either a great strength or a potential weakness for the family business.” (Carlock & Ward, 2001, p. 5).

In their view the family and the business are two separate systems which have opposing goals. Accordingly, the family system is oriented inward and focuses on emotional goals and stability, whereas the business system must be outward and change-oriented in order to survive, a view that might be too static or simplified. Many researchers have acknowledged the three circle model but some have also criticized it for its shortcomings, e.g. its static and schematic character. Also Whiteside and Brown criticized dual systems view as limiting (1991). In their view, acknowledging the connectedness and interdependence of family and business is important. Nevertheless, researchers commonly argue that it is possible to differentiate between the family and the business sphere, thereby downplaying the connections and dependencies between family and business (e.g. Carlock & Ward, 2001). In my view this is a simplification which does not account for the complexity and diversity of family businesses. Instead I draw on family business as a duality, i.e. family and business as interconnected and interdependent. Some researchers have argued that the family business should be viewed not as a dualism but rather as “consisting” of dualities (Nordqvist, Habbershon, & Melin, 2008). This perspective has implications for organizational identity construction. A duality can be defined as:

“A duality resembles a dualism in that it retains two essential elements but, unlike a dualism, the two elements are interdependent and no longer separate or opposed, even though they are conceptually distinct (otherwise the duality would be a unity).” (Jackson, 1999, p. 549)
If an organization or more specifically a family business is based on dualities then the complexity of organizational identity construction increases further. Aligning and unifying interdependent and interconnected elements in terms of an organizational identity appears ambitious to me since it has to be done continuously. Jackson argues that the world is full of dualism, e.g. individual and society, mind and body. Dualism has also been criticized for overemphasizing differences and simplifying relationships but dualities emphasize interdependentness and connectedness. In my view family business research has mainly treated family business as a dualism. Accepting family business as a duality (Melin, 2012) therefore implies a shift in the understanding of family business.

Tensions are a result of dualities and balancing these can be seen as a consequence (Farjoun, 2010; Graetz & Smith, 2008). Family and business are two essential elements which are interdependent but not opposed to one another. Family members have ownership of, and management positions in, the business, but family and business are distinct. By taking a dualities perspective of family business it is possible to overcome the criticism of the dual systems approach as too narrow and neglecting complexity of the family business in its entirety (Whiteside & Brown, 1991). Several studies using the duality concept found an accumulation of dualities (e.g. Melin, 2012; Sánchez-Runde & Pettigrew, 2003). Dualities are not only to be found in family businesses. Dualities can be found in many organizations. Understanding family and business as a duality allows us to separate organizations from those that have and those that do not have this duality and therefore are not exposed to the same tensions. This duality can therefore be seen as the essence of family businesses: in other words, family involvement in ownership and management differentiates those businesses from non-family businesses (Chua, et al., 1999). Chua et al. go on:

“The family business is a business governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families.” (Chua, et al., 1999, p. 25)

This definition supports my claim that family and business in a family business form a unique combination which separates those organizations from non-family business organizations. The definition does not address all aspects of a family business, including some of importance, such as situations where a business is owned by more than one family. Often, family business researchers assume that it does not make a difference how many owning families are involved, e.g. Chua et al. (1999) speak of a “small number of families”. The definition is inclusive in order to account for the diversity of the empirical phenomenon. In their view, the pure involvement of families in ownership and management is not sufficient; it also needs to serve a purpose, e.g. the vision of the owning families. Accordingly, the dual nature, i.e. the interdependentness
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and interconnectedness of family and business becomes a sufficient criterion for defining family business. Family involvement and their intent to influence the business in line with their preferences signifies the duality of family business. Another aspect refers to the temporal dimension, e.g. “sustainable across generations”. These aspects can be seen in parallel to organizational identity which also refers to temporal continuity and distinctiveness. There are still questions about how the organizational identity of family businesses is constructed so as to sustain them across generations.

Recently, some authors described the family business as a paradox (Schuman, Stutz, & Ward, 2010) implying an alternative view or perspective of family businesses. This view allows an emphasis of both, the family and the business, without needing to prioritize one over the other. A paradox is also a form of duality (Achtenhagen & Melin, 2003), where choices are not one-sided. Instead, choices support both poles of the duality allowing tensions to be balanced. Moreover, research on dualities shows that tensions reflect the complexity of our world and that a duality does not mean dualism which would imply ‘either/or’, but is instead the balancing of two seemingly contradictory aspects, such as stability and change (Farjoun, 2010). In line with Nordqvist, Habbershon and Melin (2008), I view family business as consisting of dualities which in turn influences organizational identity construction because dualities lead to tensions which need to be managed (Farjoun, 2010; Graetz & Smith, 2008). Drawing on dualities therefore offers a new perspective on organizational identity construction which is suitable for family businesses.

After this short review and discussion of family businesses and dualities the following should be clear. According to the way I define and understand family businesses, there is a close interconnection and interdependentness between family and business which I describe as a duality. This duality of family and business is so fundamental that it influences the entire organization and makes room for further dualities. Dualities cause tensions which need to be handled. They further give meaning to organizational members. In other words, “family business” is a statement of identity. As I argued before, it is not an identity per se that is of interest but how an identity is constructed. Construction refers not only to initial formation but involves continuous construction over time and generations.

1.4 Purpose and research questions

Before I present my overall purpose and research questions I briefly summarize my reasoning so far. I started by presenting organizational identity and its construction as a highly topical subject which is gaining more and more attention. However, research is more often than not theoretical, and is only beginning to acknowledge organizational identity as a topic in its own right (Ravasi & Canato, 2013). Despite its small empirical basis it is even more
The overall purpose of the study is to understand organizational identity construction in family businesses, by taking a dualities perspective.

A dualities perspective implies that organizations and especially family businesses can be viewed and understood from the perspective of dualities, i.e. as consisting of interconnected and interdependent elements (Jackson, 1999) which characterize the essence or nature of the specific organization, e.g. family and business. Taking a dualities perspective further means that the focus is not on the actual dualities per se but rather on how the resulting tensions are handled. This has been described as managerial activity in the literature (Achtenhagen & Melin, 2003; Achtenhagen & Raviola, 2009; Farjoun, 2010; Graetz & Smith, 2008; Janssens & Steyaert, 1999) but this also misses certain peculiarities of family businesses, e.g. family involvement as owners and managers (cf. Dyer, 2003). Owners and founders are an almost forgotten group of stakeholders in organizational identity construction, and these are even more important in family businesses.

In this study, I draw on two family businesses in the media industry and explore how the organizational identity is constructed and reconstructed. Organizational identity construction has been discussed in the literature but the conceptualizations vary. Whetten (2006) perceives organizations as social actors whereas for instance Gioia et al. (2000) emphasize the collective aspects of identity constructs which lead to the relative fluidity of an organization’s identity and a continuous process of identity construction. Several recent articles have highlighted the temporal aspects of organizational identity and its construction (Anteby & Molnár, 2012; Schultz & Hernes, 2012). This temporal
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dimension is also relevant to family businesses (Chua, et al., 1999). Similarly, media companies can be assumed to have a tendency towards multiple identities as they include the duality of journalistic and commercial orientations (Achtenhagen & Raviola, 2009). In combination with the family business dualities there is an agglomeration of dualities which will be crucial in the organizational identity construction. In other words, there will be tensions resulting from the dualities which need to be balanced.

As far as I know, there is no study available that looks at the way organizational identity is constructed with regards to family businesses. As discussed previously, the dynamics originating from the overlap and interaction between the different dimensions or spheres of family businesses make them a particular case for understanding organizational identity construction. Family businesses can be seen as consisting of dualities. Dualities result in tensions which need to be managed. Managing dualities can then be seen as constructing organizational identity in family businesses. The purpose of this study is specified through the following research questions:

1. How is organizational identity constructed in family businesses?
2. What role do dualities play in the construction of organizational identities in family businesses?

1.5 Disposition of the thesis

After introducing the overall topic of organizational identity construction in family businesses and specifying the problem through the purpose and research questions, the remainder of the dissertation is organized as follows. In chapters Two and Three I present my theoretical frame of reference. In Chapter Two I discuss organizational identity and its construction. I present two prominent perspectives from the literature, i.e. the social actor perspective and the social constructionist perspective. I discuss the issue of multiple identities in the context of organizational identity construction which is particularly relevant to family businesses. Although there are other approaches to sorting the literature I deem these most suitable for my study as they are the most dominant, and could be seen as poles of a continuum of possible perspectives. I introduce dualities as a useful concept for understanding the peculiarities of family businesses, i.e. the interdependentness and interconnectedness of family and business which characterizes and differentiates family businesses. I thus present the dualities perspective which I use in my study. Dualities result in tensions which have to be addressed in order to make use of them. This perspective draws on similarities of organizational identity construction and managing dualities. Accordingly, I use this perspective to interpret my empirical material.

Chapter Three presents my understanding of the family business literature. I devote attention to family control and ownership which are important aspects
not only for defining family businesses but even more so for understanding organizational identity construction from a dualities perspective. It is necessary to acknowledge the particular role of owning families in family businesses which distinguishes them from non-family businesses. Having said this, it is also clear that there are many differences between owning families in family businesses, e.g. that they are not similar by default. Before concluding the chapter I describe and discuss the literature dealing with organizational identity in the widest sense in relation to family businesses. This literature is in its infancy and relies heavily on a few selective references, thereby ignoring the richness of the “mainstream” organizational identity literature.

In Chapter Four I explain my choices for conducting the study. I argue for interpretive case studies as a useful method. I explain how and why I selected empirical contexts for my study. I elaborate my thinking with regards to data collection and interpretation.

Chapters Five and Six describe the empirical contexts of my study. As I chose two different family businesses in the media industry, I constructed similar storylines for them. These stories therefore represent the first level of interpretation leading to understanding. I start with background information about the organizations and their owning families. Then I structure the chapters according to dualities which I identified based on prior studies and described in Chapters Two and Three. Using existing dualities to categorize allows comparison and builds the foundation for further interpretation.

Chapter Seven builds on the two prior chapters and illuminates similarities as well as differences between the chosen organizations and their respective owners by emphasizing the roles of their dualities and organizational identity construction. I develop the chosen dualities further and explain important aspects.

Furthering the ideas of the prior chapters, Chapter Eight develops insights into organizational identity construction from a dualities perspective. I do this by reflecting on dualities, organizational identity construction and finally family business identities. In other words, it is not single but multiple identities which signify organizational identity construction in family businesses. Further I elaborate on the idea of identity claims and how they can be used. Moreover, I discuss and highlight ownership issues which are important at different levels and at different points in time.

Finally, in Chapter Nine I conclude my dissertation by summarizing my findings and suggest further aspects for study as well as noting some practical implications.
Hatch and Schultz (2004) note that the concept of (organizational) identity is known since long but within the management literature it is only present for a relatively short period of time. Most commonly researchers refer to the conceptualization of Albert and Whetten (Albert & Whetten, 1985). The concept of identity in general and the way Albert and Whetten conceptualize organizational identity contains richness but also ambiguity (Van Rekom, Corley, & Ravasi, 2008). The paper has caused intensive debate in the literature. Hatch and Schultz further note that “…identity maintenance [is] something of an ongoing worry…” (2004, p. 2) as a consequence of environmental changes. They exemplify that organizational identity is needed for recruiting employees or when it comes to organizational change efforts. Thinking about an organization’s identity before actions are taken will help in these and other processes. Hatch and Schultz also explain that not only is organizational identity itself of relevance but the way that organizational members “maintain”, or “construct” that identity is important. These two words are not synonyms but I want to adhere to the wording of Hatch and Schultz. My focus is on construction, on which I elaborate further later, but “maintain” implies that someone needs to do something to uphold an organizational identity. I further argue that it is not only necessary to view organizational identity and its construction in light of a turbulent environment, but it is also important to consider the context. This means that there are also dynamics within the organizational context which influence organizational identity and its construction.

Since Albert and Whetten (1985), many have struggled with definitional issues related to organizational identity. Gioia (1998) categorized organizational identity according to the classic functionalist, interpretive and postmodern lenses. Depending on the perspective taken by an author, the view of what constitutes organizational identity construction varies. Nevertheless, scholars with different perspectives rely on identity claims as an element of organizational identity construction. Considering these perspectives reveals differing underlying assumptions about organizational identity. For instance, according to Gioia et al. (1998), the functionalist lens views organizational identity as an observable fact that is institutionalized and that can be managed, whereas the interpretive lens emphasizes the socially constructed character of identity and its purpose of providing meaning for organizational members. Through the postmodern lens organizational identity is paradoxical and fluid.
which also implies a multiplicity of organizational identities. The majority of organizational identity scholars use the functionalist lens; fewer use the interpretive and even fewer use the postmodernist lens. However, the dominance of Albert and Whetten as a common point of reference is unchallenged (Gioia, et al., 2013; He & Brown, 2013; Van Rekom, et al., 2008). Most researchers emphasize functionalist aspects of their definition. However, Hatch and Yanow (2008) pointed to the mixing of constructionist and realist stances in the definition provided by Albert and Whetten. They argue that by using constructionist elements, that organizational members agree upon an organizational identity (social construction), as well as proposing three universal criteria which is more in line with a realist (functionalist) stance. Hatch and Yanow (2008) further criticize the fact that they are not explicit about this mixing of logics and believe that this has been continued in the literature that builds on Albert and Whetten (1985). My lens for studying organizational identity is an interpretive one. I will therefore focus on reviewing the dominant functionalist and the interpretive approaches to organizational identity. This will be done by reviewing the social actor perspective and the social constructionist perspective. In my understanding these perspectives differ so much that it makes sense to discuss them as distinctive perspectives of organizational identity as they have direct impact on organizational identity construction.

Haslam, Postmes and Ellemers argued that organizational identity is more than a metaphor (2003). In their view organizational identity can be both an internally as well as externally shared understanding. They emphasize the importance of discontinuity between individual and organizational identity. This has caused some debate in the literature (Cornelissen, 2002; Gioia, Schultz, & Corley, 2002; Hatch & Yanow, 2008). Cornelissen et al. (2007) also argue that there is a need to learn from different perspectives on identity, e.g. corporate, organizational and social identity in order to understand the processes of identity formation. By focusing on two perspectives, social actor and social constructionist, I draw on a categorization which complements the debate on metaphors as well as helps (me) study (organizational) identity construction.

2.1 Two perspectives on organizational identity and its construction

Several authors have suggested categorizations of research on organizational identity. For instance Gioia (1998) suggested a categorization in line with Burrell and Morgan’s suggestion. Recently He and Brown (2013) also reviewed the literature and found four perspectives, e.g. functionalist, social constructionist, psychodynamic, and postmodern. These perspectives have different but not
necessarily mutually exclusive understanding of the nature of organizational identity. They further argue that there is little common understanding between these perspectives. They therefore suppose that the debate will continue as long as there is an interest in the concept of identity. Other researchers have compared different types of identity, e.g. social, corporate and organizational (Cornelissen, et al., 2007). Authors reviewing the literature found four streams of literature (Gioia, et al., 2013). These streams represent, in their view, four distinct perspectives, e.g. “social constructionist”, “social actor”, “institutionalist” and a “population ecologist” perspective. The first two perspectives I discuss in more detail below. It is interesting that the labels used vary in different reviews (cf. He & Brown, 2013). The institutionalist perspective is influenced by researchers using institutional theory who emphasize, unlike the previous perspectives, similarity rather than distinctiveness. The last perspective emphasizes organizational identity a category determined by outsiders which is thereby located on a macro-level. Gioia et al. do not view the last perspective as a true organizational identity perspective and reject it because they are interested in “image” not organizational identity (Gioia, et al., 2013). Also recently, Ravasi and Canato (2013) reviewed empirical studies in mainstream journals on organizational identity. They found 33 articles which they categorized in three waves which in their view describe the empirical status of research in mainstream journals. The waves are “1991-2000: OI as an unexpected explanation”, “2000-2002: OI as an antecedent of organizational behavior” and “2002-2011: OI as an explicit research object”. With this categorization, Ravasi and Canato noted a shift in purpose of organizational identity research. In my review I focus on the two dominant perspectives, e.g. social actor and social constructionist perspective because these are the most relevant for understanding organizational identity construction. There are several good reviews available in the literature. My review is driven by my specific purpose and therefore there might be deviations from other categorizations. For instance, has Hatch been categorized as a proponent of postmodernism (Gioia, et al., 1998) but in my viewpoint her definitions fits the social constructionist perspective because they emphasize the social construction of organizational identity (Hatch, 2005).

**Social actor perspective**

Followers of this stream of research (on organizational identity) are manifold. One of the founders of the organizational identity-concept, David Whetten, is in particular active in promoting this perspective (Whetten, 2006, 2009). He argues for organizations as social actors (King & Whetten, 2008; Whetten & Mackey, 2002). There is conflict over the nature of organizational identity where some claim that it is identity *in* versus identity *of* organizations as Whetten and Mackey argue:

“At the heart of these competing conceptions of organizational identity is the distinction between identity-as-shared perceptions among members versus
They and David Whetten in particular position organizational identity as something unique to organizations and thereby organizations become social actors. This leads them to draw more on institutional theory since they also view organizations as institutions (cf. Glynn & Abzug, 2002; Tompkins, 2010). Recently, King, Felin and Whetten argued:

“We propose that two theoretical assumptions underlie the organizational actor concept. First, the external attribution assumption is that organizations must be attributed as capable of acting by other actors, especially by their primary stakeholders and audiences. […] In addition, we also assume that actors are capable of deliberation, self-reflection, and goal-directed action. Therefore, we propose the intentionality assumption. In short, actors have some form of intentionality that underlies decision making and behavior.” (King, et al., 2010, p. 292)

The first point they try to make is that organizations are social actors because we (humans) make them actors by attributing behavior which is typically human, e.g. we say ‘company X did that’. The second assumption is also common but nevertheless problematic. Ascribing human behavior (intentionality) to organizations should be handled with care. It can be a good excuse for blaming the organization instead of the people who acted, e.g. in case of failure. Ultimately, only individuals can act and expose intentions.

Some researchers discussed the criteria suggested by Albert and Whetten and criticized, amongst others things, the enduring character of identity. Corley et al. (2006) suggest that “enduring” refers to the ability to change the identity of an organization. Albert and Whetten (1985) believe that change happens very slowly or due to disruptions in the organizational life. They also emphasize that a loss of an identity sustaining element will be threatening. Here they see a parallel to the grief and mourning of individuals and suggest that similar things might happen in organizations when a factory is closed or a subsidiary is sold. This interpretation has been discussed widely (Brunninge, 2005). Corley et al. (2006) argue that this discussion about whether identity can change or not is not helpful. It seems difficult to determine what is changing if identity is perceived as stable. Nevertheless, it is important to acknowledge that an identity has a time-dimension and it can be assumed that change will be seen in a diffuse light. Gioia et al. summarize Albert and Whetten's discussion as follows “…the terms that these authors used -“enduring” and “sameness”- suggested identity as something durable, permanent, unchanging and stable over long periods of time.” (Gioia, et al., 2013, p. 132 (original emphasis)). They note that this view is dominant in followers of the social actor perspective as well as population ecology and institutional theory. Recently, Anteby and Molnár (2012) argued that the time dimension of organizational identity refers not only to “emergence or change” but also to “endurance”. They do not follow the definition of “enduring” as laid out by Gioia et al. (2013). Anteby and Molnár
are critical towards the way endurance has been treated in the identity literature. They explain “identity endurance is rarely seen as a puzzle to be explained; it is assumed as relatively unproblematic and remains empirically neglected.” (Anteby & Molnár, 2012, p. 516). Accordingly, they theorize a link between collective memory and the endurance of organizational identity. In other words, leaving out (“forgetting”) the contradictory aspects of the organizational history purposefully helps strengthen the understanding of “who we are” as an organization. By emphasizing enduring they take up a classic issue which is still debated but their reference to memory and forgetting introduces new aspects of this debate. Similarly, Schultz and Hernes (2012) offer a temporal perspective by underlining the importance of history (the past) for current identity reconstruction. They theorize that memories from the past impact future identity claims. Gioia, Schultz, & Corley (2000) are also critical of the idea of organizational identity being enduring. They suggest that if endurance was as important as stability it would be a hindrance to change. However, they also note that identity is not tangible but socially constructed by organizational members (p. 76). Gioia et al. (2013) argue that the debate about the “enduring” of organizational identity has been very important but that there are sufficient arguments supporting the idea that identity changes even though there is resistance to change. Focusing on continuity of organizational identity instead can be more promising, a notion that Brunninge (2005) also emphasized and makes much more sense than stability and change as a dualism. That an organizational identity is stable over time carries with it the notion that it is resistant to change even when it does not have to be. Talking about continuity instead allows for periods of both stability and change which may be closer to what we observe in the empirical world.

Whetten (2006) claims that the definition provided by Albert and Whetten (1985) contains three components, i.e. the ideational, definitional and phenomenological. The ideational refers to the shared beliefs of organizational members and “who they are” as an organization. The definitional component refers to the three criteria of claimed centrality, claimed endurance and claimed distinctiveness of the definition. The phenomenological component highlights the fact that an identity discourse in an organization is most likely to occur in certain periods of organizational life. Albert and Whetten (1985) name the phases of foundation, the loss of an identity sustaining element, the accomplishment of the raison d’etre, extremely rapid growth, and retrenchment.

As already mentioned, this perspective is the most common perspective when using organizational identity as a theoretical concept. However, there is a lack of explicit awareness of, or reflection on, the implications of this perspective (Alvesson & Sköldberg, 2000). Much of the criticism of this perspective comes from authors who subscribe to a social constructionist perspective which will be elaborated further in the next section.
Social constructionist-perspective

The social constructionist-perspective emphasizes the social construction of organizational identity. Gioia, Schultz and Corley (2000) are critical towards Albert and Whetten’s conceptualization and offered an alternative by emphasizing the social constructionist angle.

Often, the social-constructionist perspective is based on criticism towards the functionalist approach in general and Albert and Whetten’s definition in particular. For instance, Hatch and Yanow (2008) suggested that the three criteria appear to be based on a realist stance indicating universal validity which can be questioned since organizational identity is also defined as a shared belief about claims. They further point to the constructionist elements (organizational members) of the definition, that caused debate especially in the early days (Whetten & Godfrey, 1998). In principle, organizational identity is therefore socially constructed by organizational members based on what they claim to be central, distinctive and enduring.

However, Albert and Whetten’s (1985) view opposes a perspective that is focused on human activities within the organizational context. For instance, Bouchikhi and Kimberly (2003) argue that radical changes of organizations fail because the changes initiated by top management may violate or threaten the organizational identity. Proponents of this perspective include Gioia et al. (2000). This is particularly important and relevant for family businesses where there is an overlap of roles and responsibilities. Therefore, another definition provided by Hatch seems to be more suitable than Albert and Whetten’s approach. Hatch proposes the following definition:

“Organizational identity is socially constructed as it emerges, is maintained and transformed via the distributed awareness (no one person or vantage point contains all the cues needed to define a particular organizational identity) and collective consciousness (organizational identity is indicated by collective reference: “we” or “they”) of its stakeholders (both internal and external to the organization).” (2005:160).

Hatch (2005) uses the term ‘stakeholders’ which is a broad term. But stakeholders may also include other than organizational members. Thus, an organizational identity is not “owned” by the senior-management alone and is context-specific. Moreover, organizational identity can change (or be transformed). This is one of the most criticized points of the definition provided by Albert and Whetten (1985), namely the aspect of temporal continuity. There are authors who argue that the past has an impact on an organizational identity (Delahaye, Booth, Clark, Procter, & Rowlinson, 2009). Brunninge (2009) also found that managers may use selective references to organizational history in the organizational identity construction process. Similarly, Schultz and Hernes (2012) argue that the past influences the explicit expression of identity claims. They argue that an organization’s past offers a new perspective on identity construction. Hatch however suggests that organizational identity resides in the individuals, their experiences of their
collective and artifacts which have symbolic meanings and can take form of values, beliefs and/or emotions and sentiments (Hatch, 2005). This seems to me more suitable than the social-actor perspective for family businesses as it also focuses on the individuals who construct the organizational identity.

Recently, some authors have argued that a combination of social actor and social constructionist-perspective can be valuable in providing further insights (Gioia, et al., 2010; Ravasi & Schultz, 2006). When I started my empirical collection my focus was on the social construction of organizational identity.

According to a social constructionist perspective, the organizational identity is about ‘membership and fluidity’ in opposition to the social actor perspective which is about ‘leadership providing consistency’ (Kreiner, 2011, p. 465). Dual or multiple organizational identities are therefore the result of collectively shared beliefs of what an organization is about (Ravasi & Schultz, 2006). From a common sense perspective it makes sense to assume that it is more likely that an organization subscribes to multiple identities over a longer time and history and during diversification. Of course, a collective can share multiple beliefs. Recently, Gioia Price et al. (2010) argued that the constitutive cognitions of individuals and collective beliefs, i.e. taking both perspectives, are complementary (Ravasi & Schultz, 2006) and helpful in seeing a more complete picture of the organizational identity process. Gioia et al. write: “…we as authors are best described as favoring a social construction view, but with a deep appreciation for the influential role of claims, images and institutional contexts in affecting the forming, sustaining, and changing of organizational identity.” (Gioia, et al., 2013, p. 127). I agree with them but they present this as part of their personal experiences. I take this as inspirational, i.e. I also consider claims and the context of family business as important. In the next section I take up the discussion of identity claims of which I made use.

2.2 Identity claims

In Albert and Whetten’s work identity claims play a central role. Whetten (2006) says that identity claims are one way of constructing an organizational identity. Ravasi and Schultz (2006) suggested that there are identity claims and identity understandings. The former refers to claims made by organizational as to “who they are” whereas the latter refers to who they believe they are. According to Ravasi and Schultz these two are interrelated and form different dimensions which can lead to a dynamic interaction. Moreover, Ravasi and Schultz suggest that identity claims typically reflect organizational leaders’ interpretations which should influence other organizational member understandings. Further, they argue that an overlap of identity claims and understandings prompts empirical questions. Whetten (2006) suggest a slightly altered definition:
“The concept of organizational identity is specified as the central and enduring attributes of an organization that distinguish it from other organizations. I refer to these as organizational identity claims or referents, signifying an organization’s self-determined (and “self”-defining) unique social space and reflected in its unique pattern of binding commitments.” (p. 220).

Whetten argues that identity claims or referents become categorical imperatives in decisions that may alter the collective understanding of an organization in order to prevent it acting out of character (Whetten, 2006, p. 221). Ravasi and Canato (2010) follow Whetten and argue that a certain organizational feature, in their case technology, can become an identity referent. They argue that the feature needs to be perceived as central, enduring, and distinctive (CED) by organizational members in line with Whetten (2006). Furthermore, Whetten postulates that identity claims are positive attributes which distinguish organizations and are manifest, for instance, in values, policies, procedures and programs. Whetten goes on to argue that there are legitimate identity claims which have been proven as distinguishing organizational features (2006, p. 221). These claims or referents help constructing the organizational identity. Whetten (2006) has suggested viewing organizational identity and its attributes of CED as potentially hierarchical.

According to Ravasi and Schultz (2006) however, taking a social constructionist perspectives implies a shift of focus to the associated meanings and understandings of formal identity claims that organizations may have. It introduces a dynamic perspective on organizational identity. Already Gioia et al. (2000) have argued that organizational identity claims are not per se stable but rather adaptively unstable. They argue that stability might only exist on the surface in labels that remain unchanged but associated meanings of labels change. This is supported by a study by Chreim (2005) who found that managers may use similar labels but alter the associated meaning by selectively using examples from the past, present and future. Thus, managers can have a purposeful strategy to retain labels but change the associated meanings. Thereby, they create a continuity-change duality which is targeted towards the organizational members as well as customers and helps to introduce changes by emphasizing continuity. Brunninge (2009) also found that a purposeful strategy of managers using references to the organizational history can help facilitate processes of change in an organization. The current literature emphasizes that changes in identity and identity claims are the results of changes in the environment (Ravasi & Schultz, 2006) as they might threaten organizational identity. Gioia et al. (2000) have suggested that identity might instead be flexible, and meanings and understandings of it are accordingly revised. They argue that identity becomes mutable. Changes of organizational identity are due to changes in the organizational image or external perception of the organization. However, image can also be stable. In traditional industries or in family businesses a certain sense of continuity might be more common, and therefore, it seems appropriate to consider continuity and change as a duality
that co-exists in organizations and will therefore also be found in associated identity claims and labels.

Similarly, Lerpold et al. (2007) suggest that the identity of an organization results from the interplay of formal identity claims and members’ beliefs and understandings about what is central, enduring and distinctive. They maintain that organizational members may have identity aspirations about what they want the organization to be. These are closely linked to a desired identity. Identity claims seem to be a visible ingredient in the construction of organizational identity from the perspective of both social actor and social constructionist. Below (Figure 1), I present an illustration of identity claims which include (formal) identity claims, identity beliefs, and identity aspirations (Lerpold, Ravasi, van Rekom, & Soenen, 2007, p. 6).

![Figure 1 Identity claims, beliefs, aspirations Lerpold et al. (2007, p. 6)](image)

Of course, claims, beliefs and aspirations can also go beyond organizational members, but in this context that is our primary focus. People close to the organization (stakeholders such as owners and families, should however not be forgotten. This goes back to the definition of organizational identity (Hatch, 2005). I agree with Brunninge (2005) who argued that there can be homogeneous and heterogeneous organizational self-understanding and that the importance of specific groups is ultimately dependent on the empirical
context. Owners probably have a greater impact than other stakeholders. Having said this, I still want to point to a recent study which found that positive media coverage can mediate organizational identity construction (Kjærgaard, et al., 2011). In this study the organization gained celebrity status over time and therefore claims about the organization in the media had an impact (sense-making and self-enhancement effects) on organizational members and their construction of the organizational identity. Even though the celebrity identity of the media does not match the experienced reality of organizational members, it is still so appealing for them that they become captivated in it. It could be argued that these celebrity organizations are extreme cases, but it shows that identity claims or other inputs can in fact also come from non-members.

Finally, I suggest that labels and associated meanings of identity claims may equally well hold dual meanings. Lerpold et al. (2007) argue that identity claims, beliefs and aspirations are overlapping and therefore it is possible that claims carry different meanings. For instance, Corley (2004) noted in his study that there can be discrepancies in perceptions of identity claims as organizational members may relate a current claim to a past or future identity which does not match the claim. But Corley also highlighted differences in perception of organizational identity on different hierarchical levels. In his view, higher levels relate identity to strategy, whereas lower levels relate it to culture. Identity claims can be seen as symbols for change. If claims are challenged because there is a discrepancy in their temporal perception it may result in a change of labels or in the associated meanings (Gioia, et al., 2000). Chreim (2005) also noted that certain labels can be associated with dual meanings by top managers. Being a family business is a statement of identity, and thus it is also a duality as it includes two interdependent and connected elements, i.e. family and business. As a statement of identity and an identity claim it still can be used and referred to differently. There will be variations in the associated meanings depending on who uses them to make claims, e.g. family members, non-family members or other stakeholders.

2.3 Organizational identity construction in multiple identity organizations

I have presented two perspectives on organizational identity which lead to different understandings of what can be constructed and who constructs. In this chapter I discuss organizational identity construction in light of dual and multiple identity organizations. The literature has often treated dual and multiple identities as synonymous, with an empirical focus on dual identities. This could be due to the practical aspects of studying organizations (He & Brown, 2013). Albert and Whetten (1985) suggested that many organizations
potentially have dual or hybrid organizational identities. The concept has been criticized, however, for only focusing on dual identities (Corley, et al., 2006) and for presenting a scattered depiction of organizational identity (Hatch & Yanow, 2008). Family business researchers, who should be interested in the concept of hybrid identity since family businesses are given as an example, showed little interest in the concept. It is mentioned (Arregle, et al., 2007) but empirical studies are scarce, and the only empirical study of family business which made explicit use of the concept was rather critical towards its utility (Tompkins, 2010).

Pratt and Foreman (2000) point to the existence of multiple identities in organizations and argue that they need to be managed. The existence of multiple identities within organizations has been noted before (Pratt & Rafaeli, 1997). He and Brown (2013) note that Pratt and Foreman’s reasoning may imply that there are as many identities as there are organizational members which poses the question of how complex an organizational identity can or should be in order to make sense of it. I think that their comment addresses a crucial point, and, in my view, it supports my goal of studying organizational identity construction.

Albert and Whetten (1985) spoke of hybrid identities, which are defined as “…an organization whose identity is composed of two or more types that would not normally be expected together…” (1985:270). Hybrid identities can be seen as a special case of multiple identities because they seem to include parts which are incompatible (Foreman & Whetten, 2002). The hybrid identity is commonly viewed as a dualistic identity, however, consisting of two elements (Albert et al., 1999). Whetten (2006) offers family businesses as an example of such hybrids without further elaboration. The hybrid identity is based on a combination of utilitarian and normative elements within the organizational identity. Therefore are not all multiple identities are hybrids as they may entail multiple utilitarian or multiple normative elements. According to Albert and Whetten, the alternative is that the hybrid character gets lost; either of the logics becomes the dominant one, and changes the identity of the organization. The assumption that elements simply get lost appears not realistic. Recently, Battilana & Dorado (2010) published a study on how new microfinance organizations can become sustainable hybrids. The microfinance organizations studied were commercial spin offs of non-governmental organizations (NGOs). Battilana and Dorado (2010) argue that these combine development logic and banking logic. They found that in order to be sustainable they need to develop a common organizational identity. To support such an organizational identity hiring and socialization policies become crucial. It has to be mentioned that Battilana and Dorado talk about hybrid organizations and not hybrid identity organizations. Despite referring to Albert and Whetten (1985) they do not explicitly refer to the concept of hybrid identity, although they make a connection with ideographic organizational identities. Instead, they present their contributions in relation to institutionalization. Jacobs, Christe-Zeyse,
Keegan, and Pólos (2008) suggested that organizations can have a hybrid identity. In the example of the German police there were two units which shared a holographical identity and these identities were seemingly incompatible but they were dependent on each other. Following this reasoning, hybrid identity is mostly located in the functionalist paradigm and viewed from a social actor perspective. For instance, Hatch and Yanow (2008) criticized Albert and Whetten (1985) “…paint fragmented and/or broken images of organizational identity (e.g. with their emphasis on hybrid identities).” (p. 32). In other words, the existence of hybrid identities is the result of the application of Albert and Whetten’s methodology as well as its limitation to dual identities. Furthermore, hybrid identities only come into existence because Albert and Whetten, as well as Whetten, have prescribed organizational identity to consist of a constructionist element, the sharedness by organizational members, as well as valid universal elements of continuity, endurance and distinctiveness. I suppose that the relative simplicity of the definition makes it appealing to many researchers, as the high citation count for their article indicates, but just because many use their definition does not make it a better or preferable definition. The few existing studies on hybrid identity organizations have shown that they require more and conscious effort to maintain the hybridity (e.g. Albert & Adams, 2002). Albert and Adams (2002) coined the term “sustainable hybrids”. In those cases seemingly conflicting identities can become counterbalanced over time. Albert and Adams suggest three aspects that characterize such hybrids: the hybrid identities are perceived to be inviolate, incompatible and indispensable (2002, p. 35). Being inviolate means that nothing about the underlying identities can be compromised; being incompatible means that conflict is inevitable; and being indispensable means that none of the multiple identities can be eliminated (Ibid). Typically, these dual identities can exist because the identities are not permanently aligned. Albert and Adams argue that the different facets of identity sustain the hybrid due to its functions and virtues, thus the hybrid identity can be sustainable over time. The I³ notation was introduced by Albert, Godfrey and Whetten (1999). They argue: “We noted above that the defining feature of a hybrid identity organization is the combination of “different or incongruous elements” that are core, enduring, and distinctive to the organization.” (Albert, et al., 1999, p. 6)

They continue: “1) the extent to which the elements comprising the hybrid are inviolate, that is the extent to which each cannot be compromised; 2) the extent to which each element is indispensable, that is, cannot be done away with; and 3) the extent to which the elements combining to form the hybrid are incompatible. We refer to these three elements as the I³ criteria.” (Albert, et al., 1999, p. 6, original emphasis)

This argument reveals several problems. First, it shows the conviction that organizations are social actors (King & Whetten, 2008; Whetten & Mackey, 2002) which in itself is an assumption that can be questioned. David Whetten and his followers view organizations as social actors because society ascribes
them similar attributes as individuals. Secondly, this interpretation is also based on the analogy that Albert and Whetten have drawn with human beings. Gioia (1998) pointed to a significant difference between organizations and human beings. In Gioia’s view where human beings become schizophrenic organizations can still manage and live with multiple identities. Gioia instead argues that organizations develop multiple identities in relation to, for instance, “core values, practices, and, most visibly, products and services” (Gioia, 1998, p. 22). Thirdly, Whetten’s view shows an understanding of dualism. Jackson (1999), however, noted that this view can lead to simplification and instead proposes duality as an alternative to dualism. I discuss dualities in a later section. Fourthly, according to the social actor view organizational members make claims on behalf of the organization. But who are organizational members in a family business? People who work in the business? People who own the business? People who work for the business but not officially, i.e. without a formal employment contract? All this matters in a family business context but this complexity does not seem to be grasped by organizational members! In other words, when talking about organizational identity construction it is necessary to reflect upon who has a say with regards to the organization. This relates also to matters of control (Alvesson & Willmott, 2002) which I address further with a focus on family business (Ainsworth & Cox, 2003) in Chapter Three.

Brunninge (2005) suggests that it is reasonable to assume that an organization will ‘entail’ multiple identities at the same time. Glynn (2000) speaks of multi-faceted identities, i.e. that an identity can include different aspects at the same time, such as being both utilitarian and normative. In her study of the Atlanta Symphonic Orchestra (ASO) Glynn found that the ASO consisted of different professional groups which contributed to a multifaceted organizational identity. Hatch and Yanow (2008) suggested that multiple identities exist within an organization but that each multiple identity itself is consistent, and thus conflicts between multiple identities do not challenge the organizational identity because each single identity is consistent and the people who subscribe to the identity do not experience conflicting identities. Gioia suggested that organizations can handle multiple identities when they are related to certain products or services (Gioia, 1998). It is apparent that these authors follow a social constructionist perspective whereas Glynn tends towards a social actor perspective.

Another important question is how these multiple identities emerge. According to Albert and Whetten, it is easier to add a new identity to an existing one than to “get rid of” an old identity. This would explain the existence of multiple identities. Yet, it is a rather arbitrary reasoning. Pratt and Foreman (2000) argue that there are several possible answers to questions of “Who am I?” or “Who are we?”. They rely on Albert and Whetten’s (1985) definition of organizational identity but they further refine the definition by saying: “Multiple identities refer to the organization. To begin, multiple
organizational identities must refer to the organization as a whole.” (Pratt & Foreman, 2000, p. 20). They go on to argue: “Multiple identities involve multiple conceptualizations of the organization. Most obviously, for an organization to have multiple organizational identities there must exist several different views about what is central, distinctive, and enduring about the organization.” (Pratt & Foreman, 2000, p. 20). This definition, unlike the conceptualisation of hybrid identity, does not necessarily imply conflicts between multiple identities. In my understanding it does however imply that it is much more important to focus on how these multiple identities are constructed, upon which I elaborate in the following section.

Identity construction

Recent research suggests that organizational identity can indeed be constructed (Dhalla, 2007). I argued before that research focuses on reactions towards external effects, e.g. an identity might be enduring but it can change due to spin-offs or identity threats (Corley & Gioia, 2004; Gioia & Thomas, 1996; Ravasi & Schultz, 2006). Many researchers use the term ‘organizational identity construction’. Pratt noted that it is difficult to find a term which is free of debate in relation to identity (Pratt, 2012). In his view there are pros and cons in words such as ‘identity construction’ or ‘work’. These words, as most words, may carry unintended connotations.

According to Albert and Whetten (1985) the organizational identity construction may vary, as different organizational members may have different answers to questions of the identity of the organization based on the circumstances. This is in line with their argument that identity becomes a salient issue during specific phases such as foundation, exceptional growth or change in collective status. This is one perspective which is closely linked to the social actor perspective (Whetten, 2006). Hatch and Schultz (1997) who follow a social constructionist perspective suggested that “…organizational identity emerges from the ongoing interactions between organizational members (including middle-level managers) as well as from top management influence.” (p. 358). Influenced by the literature on corporate identity which is symbolically constructed they argue that the internal versus external perception of organizational identity collapses and the organizational image influences and is influenced by the organizational identity. They emphasize the role of senior management in the identity construction process and the link to organizational culture. Later, Hatch and Schultz (2002) argued that mirroring organizational identities in images or managing images as impression management, is part of the identity construction process. They go on:

“It is also why we insist that organizational identity is dynamic – the processes of identity do not end but keep moving in a dance between various constructions of the organizational self (both the organizational ‘I’ and the organizational ‘me’) and the uses to which they are put.” (Hatch & Schultz, 2002, p. 1004).
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Thus, according to Hatch and Schultz (1997; 2002) identity construction takes place in dynamic processes of aligning identity, image and culture. Ravasi and Schultz (2006) also draw on the link between organizational identity and culture. They follow Dutton and Dukerich (1991) who claim that organizational identity results from construed and perceived images of an organization. However, their starting point is threats to the organizational identity. Similarly, they do not consider owners to be an important stakeholder in the organization.

Hatch (2005) however suggests that OI resides in individuals and their experiences of the collective. With the help of artifacts which have symbolic meanings and can take the form of values, beliefs and/or emotions and sentiments (2005) they construct organizational identity. The question is when construction takes place. Hatch suggests that the organizational identity construction process is continuous and renegotiated. Similarly, Soenen and Moingeon (2002) underline the collective character of identity. They argue further that research often addresses different facets of the phenomenon under study. They identified five facets of identity: professed, projected, experienced, manifested and attributed identity (2002, p.17).

Gioia (1998) warns that an organizational identity might just be a construction of the top management. It is a collective process which cannot be enforced by the senior management only. For example, Scott and Lane (2000) have argued that an organizational identity is constructed by managing the relationships between stakeholders in an organization. They argue that organizational identity is constructed with the help of the organizational image and self-perception of stakeholders, e.g. their individual identity. To sum up, organizational identity is socially constructed by different stakeholders.

Foreman and Parent (2008, p. 225) defined organizational identity construction (OIC) as follows:

“The purpose of OIC is to create an identity which serves to position the organization in its environment and orient it to external and internal stakeholders.” (Czarniawska and Wolff, 1998; Dhalla, 2007; Scott and Lane, 2000)

The starting point for their definition is the interest in organizational identity construction in discontinuous organizations. There can be such gaps between the events which occur in such a discontinuous organization that it can become challenging to re-establish such organizational identities among internal and external stakeholders (Glynn & Abzug, 2002; Whetten & Mackey, 2002). This is an interesting perspective and the concept of iterative organizations deserves further research. However, the definition of organizational identity construction seems to be very much driven by these. It puts much emphasis on creation as a single event, and the environment. Of course, environmental context matters particularly for family businesses (Craig & Moores, 2006; Sharma & Manikutty, 2005) but it is not the exclusive scope of this study. It is equally important to understand organizational identity
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construction as an ongoing, continuous process. Kjærgaard, Morsing and Ravasi (2011) have found that positive media coverage has an impact on the reconstruction of organizational identity. Furthermore, extensive coverage can make the organization a celebrity firm which may replicate representations of organizational identity which no longer match the organizational members’ perception of the reality of the organization. This shows again a focus on external aspects, albeit interactively with organizational members. I argue for a focus on the owning families in organizational identity construction which is relevant for family businesses. This does not imply that we should neglect or ignore other aspects but that we should focus specifically on owners. Due to their exposed power position owning families influence the process of organizational identity construction. Current research suggests the importance of founders for identity formation (Gioia, et al., 2010; Kroezen & Heugens, 2012). Still, there will be different interpretations and meanings given to organizational identity in a specific context which increases the likelihood of multiple identities. There is agreement in the literature that organizational identity is context specific. Dhalla (2007) proposed a set of internal and external key factors for constructing organizational identity. The model is presented in Figure 2 (Dhalla, 2007, p. 249):

![Figure 2 Model organizational identity construction (Dhalla, 2007, p. 249)](image)

Dhalla’s model goes back to identity claims that are used in the construction of organizational identity. Dhalla (2007) points to external as well as internal factors of an organization which can contribute to the construction of
organizational identity. This is based on the understanding that there is an interplay between internal and external perceptions of an organization’s identity and image (e.g. Dutton & Dukerich, 1991; Hatch & Schultz, 1997). With regards to the internal factors Dhalla (2007) lists, amongst others, the board of directors and the senior management team as decisive in organizational identity construction. Dhalla perceives the board of directors as the “…highest-ranking team with the greatest influence within and outside the organization, as they represent the legal owners of the organization.” (2007, p. 254). In addition, Dhalla argues that the board of directors is in charge of appointing the senior management team and is therefore extremely influential. The senior management team is in charge of operations and determines, for instance, human resource management practices, and steers internal communication. This sounds logical and is probably accepted by many however, this model appears to have a typical US-based listed company in mind. Although there is no explicit claim saying that this is only valid in a particular context, the key references are taken from US journals that use US-publicly listed companies as empirical contexts. In listed companies are the board members typically representatives, whereas in non-listed organizations the owners themselves are on the board. There might not only be representatives of owners, however, but also representatives of employees. For instance, Gold reports that employee representatives are common in most European countries (Gold, 2011). The model does not account for context specificity. That there are considerable differences between countries and cultures with regards to board roles and composition is not taken into account either (cf. Corbetta & Salvato, 2004). This is especially true for family businesses which constitute the majority of all firms. Therefore it is likely that Dhalla does not account for the dynamics of family businesses which make them different from the stereotypical US-based publicly listed firms either (Astrachan, 2010).

In my view, the debate on identity construction reflects the general view of organizational identity, whether organizations are social actors or socially constructed. Those who view organizations as social actors prefer a functionalist and managerial view of identity construction. They furthermore take identity as a given. Those who follow the social constructionist perspective emphasize an interest in the process of identity construction where identity is in a constant mode of being constructed and reconstructed. There are also voices that perceive those perspectives as potentially being not far from each other, even complementary (Gioia, et al., 2010; Ravasi & Schultz, 2006). In addition, there seems to be a general mismatch by focusing entirely on the senior management team (Livengood & Reger, 2010) which supports findings favoring the social actor perspective. Research that emphasizes the importance of owners, for instance, in the process of organizational identity is scarce (Alvesson & Empson, 2008).

In the literature yet another term exists: “identity work”. Sveningsson and Alvesson (2003:1165) define identity work as follows:
"The concept identity work refers to people being engaged in forming, repairing, maintaining, strengthening or revising the constructions that are productive of a sense of coherence and distinctiveness."

Sveningsson and Alvesson in their definition of identity work explain that managers are engaged in five activities, namely forming, repairing, strengthening, maintaining and revising identity constructs (2003: 1165). More recently, Alvesson, Ashcroft and Thomas (2008) have argued that identity work is often strongly related to individual identity. Yet, there is so far no clear answer as to what makes organizational identity work special. It seems to mainly focus on individuals and underlines managerial activities. Bouchikhi and Kimberly (2009) have defined organizational identity work (OIW) “...as anything the stakeholders of an organization do to define it, for themselves and for others, as a distinct and enduring entity.”

They argue that organizations can avoid having an identity, and their definition also allows for pluralistic understandings of a given organization. Bouchikhi and Kimberly (2009, p. 2) are therefore very critical of the idea that there is an essence of organizational identity that can be uncovered and instead argue that what can be seen and studied “...is organizational identity work whereby various agents, including but not limited to top managers, engage, more or less successfully, more or less consistently, in defining, for themselves and for others, what an organization stands, or should stand, for.” (Original emphasis)

By drawing on the example of McDonald's France, Bouchikhi and Kimberly explain that the more information we have the more difficult it is to find something like the essence of an organization, i.e. its identity. Further examples suggest that when following Albert and Whetten’s definition of organizational identity we simplify or reduce an organization to some seemingly central, enduring and distinctive elements and thereby ignore other, maybe equally important aspects. Thus, they are as equally critical of the popular definition as Hatch and Yanow (2008). This criticism also rejects the social actor perspective and instead favors a social constructionist perspective. This is, in my view, an interesting extension of the organizational identity construction concept when taking a social constructionist approach. It appears to me more relevant to obtaining a better understanding of organizational identity work, which has so far not been done.

I think it is also important to point out that organizational identity work is not the same as organizational identity management. Elsbach and Kramer spoke of organizational identity management and referred to aligning individual identity perception with the organizational identity perception (1996). They drew on the concept of identification and argued that organizational members who strongly identify with an organization may take 'symbolic' action to affirm the identity whereas organizational members who do not identify as strongly may choose to do nothing or in the worst case dis-identify. The underlying assumption for this is that the self-concept and identity perception of
organizational members overlap with the organization’s perceived identity. These organizational members also feel personally threatened if organizational identity is threatened (Dutton 1994). Apparently, organizational identity management refers to individuals but the focus of organizational identity work is more in line with the organization level of analysis. Additionally, ‘management’ implies for me a more ad-hoc and surficial dimension, whereas organizational identity work can be more open and less fixed on identity threats (Giota, et al., 2000; Gioia & Thomas, 1996; Jacobs, et al., 2008; Ravasi & Schultz, 2006).

There can be tensions that need to be worked with on an almost daily basis in organizations. In my viewpoint identity work has many similarities with organizational identity construction in the social constructionist perspective. According to Pratt these terms are at times used synonymously (2012). The model suggested by Dhalla has its shortcomings, as it seems to be focused on a particular (USA) context using publicly listed firms, ignoring peculiarities of the bulk of non-listed organizations and in particular family businesses. Followers of a social-constructionist perspective of organizational identity have a more fine-grained approach, emphasizing the involvement of the many and continuous activities which are happening repeatedly. In order to account for the peculiarities of family businesses I suggest looking into dualities.

2.4 Introducing a dualities perspective

In the literature, dualities are often considered to be manageable. However, a shift in perspective is required (Sánchez-Runde & Pettigrew, 2003). In this sense, managing means activities that balance the tensions which result from the dualities which are present in an organization (Evans & Doz, 1989). How does it relate to organizational identity construction?

In the previous chapter I discussed multiple identities, including the idea of hybrid identities. The concept of hybrids has also gained recognition outside the organizational identity literature. For example, Hyde (1992) speaks of social movement agencies as hybrid organizations. She claims: “Their hybrid nature is captured in an ideational duality that encompasses both social movement and human services orientation.” (p. 122). According to Hyde, the ideational duality “serves as a bedrock for survival” (p. 122). Hyde further speaks of ideational systems which are composed of organizational ideologies and goals. These may be explicitly stated in public pronouncements or manifestos, but can also be stated implicitly in language, symbols, structure, technology or ceremonies. In her study of social movement agencies she found a certain trade-off between the ideational duality. However, the trade-off does not neglect one aspect but rather re-defines and re-aligns the service provided and the goals stated within the ideational system. Thus, she relates and describes the hybrid elements as duality. Even though some authors are principally open to more than a dual or
to two sources in hybrid arrangements (e.g. Borys & Jemison, 1989), it is nevertheless often presented as a combination of two elements that form the hybrid organization (Hyde, 1992). This is in parallel to Albert and Whetten's conceptualization of hybrid identity which also only focusses on two elements (Albert & Whetten, 1985; Corley, et al., 2006). Yet, there is an alternative.

Dualities are a perspective which in itself is not clear cut. For instance Farjoun argues “Borrowed from philosophy, the term duality has no official definition” (Farjoun, 2010, p. 203). Therefore I argue that it is important to clarify the focus, e.g. organizational identity construction. For some reason the definition provided by Jackson has become popular (Jackson, 1999), and is also relied on by Farjoun, for instance. That there are plenty of different types of dualities is evident from various studies (Evans & Doz, 1989; Sánchez-Runde, Massini, & Quintanilla, 2003). Others argue that there is a hierarchy in dualities (Achtenhagen & Melin, 2003). A dualities perspective has also been discussed in the literature (Evans, 1999). Evans focusses on dualities within the HRM context but also relates it to the general management context. For him a duality perspective implies a shift of focus from “performance to tension” (Evans, 1999, p. 327). Similarly Sutherland and Smith (2011) promote an approach that is aware of dualities, their characteristics as well as their tensions. Janssens and Steyaert (1999) have noted the dualistic nature of organizations which are often described as paradoxes (Poole & Van de Ven, 1989). They further argue that duality is closely related to concepts such as the paradox or dilemma. Many authors use these terms interchangeably. Janssens and Steyaert (1999) identify three types of dualities which can lead to tensions, namely structural, cultural and personal. They found that these dualities were often expressed in the terms “integration-differentiation”, “homogeneity-heterogeneity” and “person-organization”. However, in more recent studies dualities can be seen in terms of “stability-instability”, unification-fragmentation” and “autonomous-relational”. The latter ones take a processual view of organizing. Janssens and Steyaert suggest a third way that reflects the dynamic in their view. This third way is trialectics. Accordingly, the duality is not two poles in opposition, but includes a third element on another level that helps balance the duality (p.134). According to a recent review of dualities by Graetz and Smith (2008) the idea of dualities can be traced back to Burns and Stalker (1994) and others. Burns and Stalker introduced the concept of mechanistic and organic systems in organizations which represent polar extremes where the former is suitable for stable environments whereas the latter is preferable under changing environments (1994). In their review Graetz and Smith (2008) synthesized the studies into different categories such as simultaneity, relational, minimal threshold, dynamism and improvisation. They go on to relate those characteristics to a continuity-change relationship. They further argue that organizations can arbitrate the tension that comes with continuity-change dualities by engaging in traditional and innovative forms of organising.
Sánchez-Runde and Pettigrew (2003) argue that dualities are not, per se, a new phenomenon. They suggest it is necessary “…to be sensitive to both the content and the process associated with dualities.” (Sánchez-Runde & Pettigrew, 2003, p. 246). Eventually, they argue that tensions resulting from dualities can be balanced and thereby managed but it requires a non-dichotomous perspective on dualities. Based on their studies they suggest that dualities appear in bundles and they argue that they need to be studied in various contexts. For instance, Sánchez-Runde, Massini and Quintanilla (2003) found sixteen people management dualities in their studies of human resource practices. They were able to further cluster them into four fundamental areas: cultural dualities, work organization dualities, leadership and management dualities and finally “human resources HR” dualities (p. 258). Culturally, they refer to an example where they found a duality between professional and organizational cultures. In their case, they elaborate that the company (Ove Arup) could manage this duality by creating special skill networks for their members which allowed them to manage the duality, however it also created another duality as there were several professions in co-existence in the organization. Sánchez-Runde et al. (2003) argue that dualities may bring challenges to innovative firms requiring them to balance dualities while competing in difficult environments. They therefore argue that it is necessary to study dualities by accounting for “…‘dual-continuum’ interactions within and between practices.” (p. 275).

Sánchez-Runde and Pettigrew (2003), as well as Sánchez-Runde et al. (2003), studied innovative firms, but I argue that their findings are also useful in other types of organizations that are not inevitably innovative, such as family businesses (Craig & Moores, 2006). Currently, the landscape in many industries and countries can be described as one of ever increasing complexity which puts high demands on the management of those organizations. Management here refers not only to managers but also to owners.

Achtenhagen and Melin (2003) have suggested what they call a ‘meta-duality’, i.e. that of homogeneity-heterogeneity (p. 303). In their discussion, Achtenhagen and Melin draw on Jackson (1999) who argued “A duality…retains two essential elements but… the two elements are interdependent and no longer separate or opposed, even though they are conceptually distinct (otherwise the duality would become a unity)” (Jackson, 1999, p. 549). In their discussion, Achtenhagen and Melin also include further conceptualizations of organizational tensions such as paradox, trade-off, and dilemma (p. 309). However, according to Achtenhagen and Melin, dilemmas can be interrelated and then, because they form a system of dilemmas, can be viewed as dualities. They exemplify this by referring to the centralization-decentralization duality, which could include several dilemmas related to human resource management (HRM) or information and communication technology (ICT). Furthermore, Achtenhagen and Melin argue that dualities can be managed but only if they are not viewed as dualistic poles where an either/or...
decision has to be made. Instead, a certain openness and consciousness is necessary from the management which allows for the ambiguity which is necessary for dualities to co-exist.

“In short, when dealing with dualities, we need a mindset open to organizational ambiguities, allowing for as well as rather than either or choices.” (Achtenhagen & Melin, 2003, p. 307; original italics)

They further argue that an organizational identity could help the co-existence of dualities, for example by creating a common language. According to Janssens and Steyaert (1999), Achtenhagen and Melin suggest that a third party could help to mediate tensions in relation to dualities.

As mentioned before, Achtenhagen and Melin suggest that dualities are often interrelated and form a system of dualities. They give the example of a centralization-decentralization duality which could be closely linked to a network-hierarchy duality as centralized processes often require some hierarchical organization, whereas decentralized processes can help networking. As this example might not fit all empirical realities, Achtenhagen and Melin suggest a meta-duality which they call the ‘homogeneity-heterogeneity’ duality. Their argument is that this is a generic duality as systems of duality often inherently strive for either homogeneity or heterogeneity. These represent two poles of a duality. They have two arguments for this conceptualization.

“First, dualities are not independent but are often related to other dualities. […] Second, similar forces striving towards either the homogeneity or the heterogeneity of organizing and managerial practices can be noted in different dualities. These forces can be better understood by analysing the system of the homogeneity-heterogeneity duality.” (Achtenhagen & Melin, 2003, p. 324)

Based on their empirical studies, Achtenhagen and Melin show how dualities can be found in organizations and point to problems occurring in organizations which show signs of a meta-duality. A particular problem can be related to an organization’s identity or, to be more precise, the co-existence of multiple identities. Farjoun (2010) presented a new way of dealing with duality. He argues that stability and change as a reflection of duality can be viewed as mutually interdependent, thus they may be contradictory but also mutually enabling. He thus also contradicts the view that these are incompatible and mutually exclusive. Farjoun maintains that there is a common view in organization research which argues that stability and change are separate and opposing. He argues that this view has become too restrictive (Farjoun, 2010). He suggests viewing stability and change not as dualism but as duality. Drawing on Jackson (1999) Farjoun suggests duality, which according to him resembles dualism as two elements, but allows us to view these elements as interdependent rather than separate and opposed (Farjoun, 2010, p. 203). Jackson has taken his idea of duality from Giddens (1979). Farjoun goes on to argue that the duality might be more apt in certain contexts. He refers to hybrid contexts where stability and change are mutually enabling and constituent (Farjoun, 2010). I think Farjoun makes an important point and that it is easy to
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fall into dualistic thought patterns of either/or. He clearly argues that there is an alternative view. Janssens and Steyaert (1999) were looking for a third way out. In order to account for organizational complexity it is necessary to avoid falling into dualistic thought patterns, as appealing as they may seem. From my viewpoint the family business is a perfect illustration of the complexity and the interdependency of family and business. Litz (2008) offers the metaphor of the Möbius strip for the phenomenon. A “möbius strip is a band that is twisted 180 degrees before its ends are put together.” Litz argues that the metaphor allows the interdependentness and connectedness of the family and the business to be accounted for as two subsystems. In addition Litz offers a new conceptual term “the house” as more inclusive than the family business which may be just one part of a larger and more complex system. The “Möbius strip” metaphor is not explicitly related to organizational identity.

Dualities are not by default equivalent to organizational identity but there are certain dualities which characterize the nature or essence of an organization, and thus point to the complexity of family businesses and support a change in perspective towards dualities. Some researchers introduced a perspective that draws on dualities which signify family businesses (Nordqvist, et al., 2008), and this has implications for organizational identity construction. Nordqvist et al. (2008) argue that there are three dualities which can typically be found in family businesses. These are formality-informality, dependence-independence and historic paths-new paths. They further argue that taking a dualities perspective goes “…beyond the trade-off view of whether family firms have positive or negative characteristics…” (Nordqvist, et al., 2008, p. 94). They go on to argue:

“In brief, we found that, rather than families embracing one aspect of the duality, their entrepreneurial context was established by viewing the dualities as ‘tension-continuums’ which are kept taut by ‘pulling on’ both sides of the continuum simultaneously.” (Nordqvist, et al., 2008, p. 100)

In other words, it is not the poles that matter most but how organizational members work with the tensions which result from the duality. Nordqvist et al. have a special focus on owning families as the managers of dualities. Due to the central role of owning families in family businesses I consider their management of dualities as organizational identity construction.

The concept of duality has also been discussed in the OI-field. For instance, Chreim (2005) speaks of a continuity-change duality. In her study of managers’ discursive texts she found that aspects of the past, present and future were used selectively in order to establish a kind of organizational identity. Chreim found that there is an ongoing debate in the literature about continuity and change which was present in the organization studied:

“The notion of confluence in identity calls for considering continuity and change not as contradictory elements, but as complementary and interwoven. What may appear as contradictory states are brought together as a duality (Bouchikhi, 1998; Lewis, 2000).” (Chreim, 2005, p. 587)
The term confluence stems from the analysis of narratives. More importantly, the emphasis on complementary and interwoven rather than contradictory elements fits the previous discussion. Thus, I consider duality as a concept suitable for the framework of organizational identity construction.

According to Evans tensions can be on different levels. For him the most important type of tension is the constructive one: “Constructive tension is the source of positive organizational development. It is a state where there is sufficient tension to mobilize change and action, but not so much as to engender politicization or perverse, unintended consequences. There are the benefits of cognitive conflict (multiple perspectives, active debate, positive engagement) but without the negative consequences of excessive emotional conflict.” (Evans, 1999, p. 330). In my understanding this perspective goes hand in hand with my view on organizational identity construction which emphasizes several stakeholders but also several means (Bouchikhi & Kimberly, 2009; Hatch, 2005). Identity claims are another element in the construction process. Even though they are often used by researchers following a social actors-perspective, they are also used when following a social constructionist perspective and some have argued that those perspectives can be complementary (Gioia, et al., 2010; Ravasi & Schultz, 2006).

In Table 1 below I compare different approaches to defining organizational identity construction and managing dualities. Since organizational identity construction is a generic term which includes several meanings (Dhalla, 2007) as the table shows, and I propose a dualities perspective, I suggest that focus should be on managing tensions which are the result of dualities. Managing dualities can therefore be a complementary aspect of organizational identity construction. Dualities can be manifold (Evans & Doz, 1992; Graetz & Smith, 2008; Sánchez-Runde, et al., 2003; Sánchez-Runde & Pettigrew, 2003) and not all of them will concern an organization’s identity. However, it has been suggested that some dualities signify organizations as family businesses (Nordqvist, et al., 2008) or newspaper organizations (Achtenhagen & Raviola, 2009). I argued before that there are different levels of dualities and the previously mentioned dualities concern the nature or essence of an organization as a family business or a newspaper organization. Whereas managing dualities as well as balancing tensions has been presented as a managerial task, Nordqvist et al. (2008) introduced owners as important actors. Organizational identity construction has also been described from a managerial perspective and many authors refer to organizational members who often are equated with managers. Managing dualities can be perceived as an internal task, whereas organizational identity construction is both internal and external. Therefore I think it is necessary to add balancing tensions as an important aspect of organizational identity construction. By managing these dualities, manager and owners construct an organizational identity as a family business or newspaper organization. The focus of my empirical chapters will be on how organizational members (including but not limited to managers and owners) manage the
dualities which are said to characterize family businesses and newspaper organizations by balancing the tensions which result from the dualities.

**Table 1** Organizational identity construction and managing dualities in comparison

<table>
<thead>
<tr>
<th>Organizational identity construction</th>
<th>Managing dualities</th>
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<tr>
<td>“…organizational identity emerges from the ongoing interactions between organizational members (including middle-level managers) as well as from top management influence.” (Hatch &amp; Schultz, 1997, p. 358)</td>
<td>“Playing on the chords of dualities allows top management to build this tension [the authors refer to constructive tensions] into the organization in constructive and pragmatic ways: sufficient tension to ensure learning, adaptation and development, but not so much as to interfere with the operational demands of performance.” (Evans &amp; Doz, 1989, p. 224)</td>
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<td>“It is also why we insist that organizational identity is dynamic – the processes of identity do not end but keep moving in a dance between various constructions of the organizational self (both the organizational ‘I’ and the organizational ‘me’) and the uses to which they are put.” (Hatch &amp; Schultz, 2002, p. 1004)</td>
<td>“The growth, prosperity, and survival of any social organism,[…] depend on striking a dynamic balance between complimentary dualities.” (Evans &amp; Doz, 1989, p. 221)</td>
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<td>“The purpose of OIC is to create an identity which serves to position the organization in its environment and orient it to external and internal stakeholders (Czarniawska and Wolff, 1998; Dhalla, 2007; Scott and Lane, 2000).” (Foreman &amp; Parent, 2008, p. 225)</td>
<td>“The key to developing dualistic capabilities in an organization is the use of <em>subtle</em> management processes rather than overt management tools[…]. Subtle management processes can be used to rebalance an organization, to provide complementary properties that its basic structure and systems lack.” (Evans &amp; Doz, 1992, p. 96)</td>
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<td>“Managing paradoxes requires special capacities and capabilities, including a special empathy to see “both sides.” For managing paradoxes is as much art as it is science.” (Schuman, et al., 2010, p. xii)</td>
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2.5 Summary: a dualities perspective for organizational identity construction

As I have argued in this chapter, duality is an interesting perspective through which to address multiple identities. By taking a dualities perspective the criticism of Albert and Whetten (1985) for limiting organizational identity to maximum of two elements can be overcome (Corley, et al., 2006). By opening up organizational identity construction to include dualities it is also possible to take a broader perspective and not focus on scattered depictions of identity (Hatch & Yanow, 2008). Or as Sutherland and Smith put it: “In particular, duality theory excels at encouraging the potential for complementarity within contradiction” (Sutherland & Smith, 2011, p. 535). Instead of emphasizing the contradictory elements it is also important to see the complementary elements of dualities. Thus, the problem which is imminent in Albert and Whetten’s approach to addressing dual identities, namely hybrid identities, is similar to that of the definition of organizational identity. Due to the categorical impact of the defining elements of CED it is subject to same criticism. Albert and Whetten’s definition is narrow and does not allow for much flexibility. Furthermore, they mix logic without being aware or at least explicit about it (Hatch & Yanow, 2008). Alternatives tend to emphasize the collective nature of an organization’s identity (e.g. Hatch, 2005; Hatch & Schultz, 1997, 2002) and allows for more flexibility (Gioia, et al., 2000).

I introduced the concept of dualities as a complementary perspective on organizational identity construction. There are many different approaches to organizational identity construction. The majority of OI-scholars following the social actor perspective are too often concerned with what the senior management can do, and does, to construct an organization’s identity. They emphasize identity claims as a means of organizational identity construction. This perspective runs the risk of only capturing the “surface” activities of organizational identity construction. I argue for organizational identity construction which is understood from a dualities perspective which implies a focus on how dualities are managed. Organizational identity construction concerns the overall organization whereas managing dualities can be rather detailed. The dualities perspective focuses on dualities which are relevant for and concern the nature or essence of the organization. There are different levels of dualities. Some concern operations and others concern the overall organization. By focusing on the management of dualities which are essential to an organization because they concern the nature or essence of it, managing dualities can become organizational identity construction. Further, when taking a social constructionist perspective, identity claims are a further means of constructing an organizational identity. Identity claims themselves can be carriers of dual meanings. The focus in the literature of who is undertaking activities in relation to organizational identity construction varies, but there is a
strong focus on the senior management. I consider this to be limiting with regards to family businesses. The importance of the family and its often intertwined and overlapping roles within the business is well known in the family business literature, but the general management research has not paid much attention to it. In my view, scholars dealing with managing dualities and organizational identity construction have overemphasized managers and undervalued or ignored the role and importance of owners. The literature has emphasized the importance of stakeholders in organizational identity construction. Paying attention to owning families will allow an understanding of the peculiarities of family businesses in organizational identity construction. The dualities perspective offers a way to categorize my empirical data. By doing so, it is possible to focus not only on the role of owners and what they are doing, but also on how other organizational members relate to them. It offers a new perspective on multiple identities which so far has not been considered. Instead of viewing multiple identities as contradictory and dangerous for a unifying identity, dualities allow them to be seen as interconnected and interdependent.
3 On family business

Family business as an academic field of enquiry has not existed for long. Some claim that the special issue of *Organizational Dynamics* in 1983 was the first appearance of family business research. Before 1983, there were only occasional appearances that dealt with the ‘problems’ of family businesses (e.g. Donnelley, 1964; Levinson, 1971). In her review article, Sharma (2004) pointed out the need to develop theories for family firms and gave the example of agency theory which has been further developed in the family firm context (Gomez-Mejia, Nunez-Nickel, & Gutierrez, 2001; Schulze, Lubatkin, & Dino, 2003; Schulze, Lubatkin, Dino, & Buchholtz, 2001) and which in turn has increased the legitimacy of family business research. Another construct that has gained some acceptance is familiness (Habbershon, Williams, & MacMillan, 2003; Habbershon & Williams, 1999). The more recently introduced construct of socioemotional wealth has gained some acceptance in mainstream management journals (Gomez-Mejia, Cruz, Berrone, & De Castro, 2011; Gómez-Mejía, Haynes, Núñez-Nickel, Jacobson, & Moyano-Fuentes, 2007). These constructs point to the complexity of the family business phenomenon.

Helin (2011) characterized three waves of family business research, namely planning, professionalization and performance, and she also points to the fact that the research tradition in family business is still dominated by the functionalist paradigm (Gioia & Pitre, 1990). Pramodita Sharma, the current editor of the Family Business Review (FBR) noted in her editor’s note 2010 that there is still a dominance of quantitative studies, and that agency theory and the resource-based view are the dominant theoretical frameworks used in the articles published in FBR (Sharma, 2011). Sharma notes that the issue of the heterogeneity of family firms is starting to be addressed in recent articles. In 2010, another journal was launched with an explicit family business focus, the Journal of Family Business Strategy (JFBS). In their inaugural editorial Joe Astrachan, the former editor of FBR, and Torsten Pieper questioned whether the use of often US-based, secondary data of publicly listed non-family firms is suitable for and applicable to the internationally dominant number of very heterogeneous family firms (Astrachan & Pieper, 2010). Although, their journal focuses explicitly on strategy it is also generally open to family business related topics. Astrachan and Pieper point to a study by their publisher Elsevier, according to which the growth of family business-related articles is enormous. They therefore suggested the appearance of further journals devoted to family business. The Journal of Family Business Management (JFBM) was launched in 2011. Collins and O’Regan (2011b) also stress the overwhelming empirical importance of family businesses around the globe. They bring up the issue of
3 On family business

definition in their inaugural article and point to the multitude of definitions available. They point to family involvement as the decisive criterion for defining family businesses, and which makes family businesses more complex than non-family businesses (Collins & O'Regan, 2011b).

3.1 Family business definitions

There is no single, widely accepted definition of what constitutes a family business. Different scholars have suggested ways of solving this dilemma (e.g. Handler, 1989; Westhead & Cowling, 1998; Winter, Fitzgerald, Heck, Haynes, & Danes, 1998). In my understanding the core of these different approaches is often (implicitly) the interaction of different spheres within the family business. Tagiuri and Davis (1996) suggested the three circle model which contributes to the distinctiveness of family businesses. These three circles represent the family, the business and ownership as separate spheres which interact simultaneously within a family business. This model is accepted and is at the heart of definitions which follow a systems approach (e.g. Pieper & Klein, 2007). This approach has however been criticized for being limiting (Whiteside & Brown, 1991) as it promotes the subsystems over the system as a whole.

There are other approaches and a common criticism is related to the operational nature of definitions (Chua, Chrisman et al. 1999; Chrisman, Chua et al. 2005). According to Chrisman et al. (2005) there are two different ways of defining the family business, the ‘components-of-involvement’ approach and the ‘essence’ approach (p. 556). The former approach views family involvement as a sufficient condition to define a firm as family firm, whereas the latter also requires behavior which leads to distinctiveness in order to make a firm a family firm (Chrisman, Chua et al. 2005). In line with the essence approach is the suggestion that family firms have distinctive attributes due to the family involvement, which leads to potential competitive advantages over non-family firms (Habbershon and Williams 1999). The concept of familiness also draws on the distinctiveness of family firms. However, Habbershon (2006) emphasizes that familiness is not a generic term for family influence but is based on the resource-based view and “…specifically refers to the idiosyncratic bundle of resources and capabilities resulting from the family influences.” (Habbershon, 2006, p. 882) The construct has gained much attention and has been tested and refined (Sharma, 2008). A link between familiness and organizational identity has been suggested by Zellweger et al. (2010) who introduced organizational identity as a complementary dimension of familiness. A more in depth discussion of organizational identity in the family business literature can be found in Chapter 3.3. I argue that the dichotomous view of family versus non-family firms, the differences between family businesses and thus their heterogeneity have been understudied. Westhead, Howorth and Cowling (2002) also criticize ignorance of such heterogeneity. Specifically, they
consider the study of family firms in isolation or on an aggregate level. Thus, studies fail to compare different types of family firms and non-family firms (p. 263). Similarly, Melin and Nordqvist (2007) have criticized the fact that family business has become a category of organizations with ascribed similarities. Melin and Nordqvist (2007) argue that this viewpoint underestimates differences within this category, i.e. its heterogeneity. Yet, there is continuous development and some authors argue that these two different approaches are not mutually exclusive. On the contrary they may converge (Chrisman, Chua et al. 2005). This argument is supported by the development of the F-PEC scale.

The F-PEC scale was first published by Astrachan, Klein and Smyrnios (2002). It includes three subscales that measure power, experience and culture to determine the family involvement in, and the family influence on a firm, which is seen as more important than the pure distinction of whether a firm is a family firm or not (Astrachan, Klein et al. 2002). Each of the subscales analyses the dimension in more depth. The F-PEC scale has been validated in an empirical study (Klein, Astrachan, & Smyrnios, 2005). There are also critical voices against F-PEC. It is criticized for its limited practicability. For instance Zellweger (2006) criticizes the fact that family values cannot be measured at a single point in time. Another criticism refers to whether and how the subscales influence each other. Another critical point relates to the F-PEC value. It is possible for two firms to have the same total overall score but to reach different values on the subscales. This issue has not yet been solved. In line with Zellweger, Cliff and Jennings (2005) criticise the culture subscale of F-PEC. From their perspective it lacks face validity, meaning that the questions used in the subscale do not seem to measure what is intended. In addition, they note that in Klein et al.'s (2005) paper there is an indication of “response bias” but no appropriate action taken to overcome it. As well as the raised critique it is fair to say that the F-PEC scale is an attempt to account for the heterogeneity of family businesses by considering different dimensions. More recently, Holt, Rutherford and Kuratko (2010) replicated the Klein et al. study in order to validate the results and address some of the critiques. They managed to confirm and validate the scale. However, they write at the end of their article that they are afraid that findings are similar to those for small and young firms in general. They are concerned:

“This makes it incredibly difficult to disentangle the unique features of a family business. That is, how are family firms different? And do these differences translate into some meaningful competitive advantage?” (Holt, et al., 2010, p. 86)

These are indeed relevant questions. But the questions could also be turned around by asking how non-family businesses are different from family businesses when family businesses comprise the majority of firms? Further, many small and young firms are or will become family firms. Here I would like to cite Joe Astrachan who has asked this several times and pointed out the problem that many theories are based on data from a minority of firms, often
3 On family business

US-based, publicly-listed firms (Astrachan, 2010; Collins & O'Regan, 2011a). This leads to a methodological discussion of how and what to study. I believe that it calls for a shift from the positivist/functionalist tradition (Gioia & Pitre, 1990) into an interpretive, case-based approach in order to understand the family business (Nordqvist, Hall, & Melin, 2009).

I have already given my starting point as Chua et al.’s (1999) definition in the introduction. How I operationalized it can be found in the method section. In the forthcoming section I turn to issues of control and ownership which I deem central when studying family businesses.

3.2 Family control and ownership

“Even more than the family name on the door or the number of relatives in top management, it is family ownership that defines the family business.” (Gersick, et al., 1997, p. 29)

This statement comes from the classic book of Gersick et al. (1997). In their three-circle model they emphasize the importance of ownership and criticise the view that the transfer of ownership is a ‘by-product’ of the transfer of management control. Although they raised the importance of ownership and included it as a third circle in their three-circle model next to family and business, they refer to financial/legal ownership. There also other forms of ownership such as psychological ownership, however, and so this understanding of ownership can be seen as limiting. Gersick et al. suggest that ownership patterns change with each generational shift. In their view ownership becomes diluted through changes from a single to several owners. They have called these different stages controlling owner, sibling partnership and cousin consortium. They argue that this stage model offers predictability and is partly driven by the development of a family over time. Gersick et al. also admit that the model does not have to be sequential but can also go back and forth, even within one generation. This is an important point as it addresses the critique of the general life-cycle literature offered by Phelps, Adams and Bessant (2007) according to which life-cycle models are often too static and one-dimensional. Gersick et al. even speak of “hybrid ownership forms” where there is, for instance, a controlling owner, and also siblings with ownership, and they argue that these hybrid forms represent phases of transition. However, as I discussed in Chapter 2 the term hybrid is used in several different contexts and it can be questioned whether these “hybrid ownership forms” have to be phases of transition? Based on the heterogeneity of family businesses it seems at least equally reasonable that these transition phases are more common than estimated by Gersick et al. (1997). In her recent dissertation, Haag (2012) suggests that a succession which includes ownership transition should not be seen as a problem, rather as an ongoing practice. Accordingly, ownership as a functional dimension is too simple. As I indicated,
Gersick et al.'s view on ownership is limited to legal/financial ownership. Ownership has often been viewed as synonymous or closely linked with property. According to Etzioni there are two dimensions of property, a real and a symbolic. He continues with this definition “Property is, thus, said to be very much a matter of orientation rather than of material objects…” (Etzioni, 1991, p. 465). The same can be said for ownership. Similarly, Stein (Stein, 1976), drawing on Beaglehole (1963), argues that property of valuable objects is manifested through ownership. What these valuable objects are is also socially constructed. Thus, “…‘ownership’ is the social construct linking those items of property to one or more people” (Stein, 1976, p. 300). Thus, Stein had already established that ownership may involve more than one person.

Pierce, Kostova and Dirks (2001), drawing on Etzioni and others, suggest that there exists something they call psychological ownership. Psychological ownership is not based on material ownership but rather on the feeling of possession of an object. They go on to suggest that ownership and possession can be related to the self-identity of human beings:

“Thus, we suggest that people use ownership for the purpose of defining themselves, expressing their self-identity to others, and ensuring the continuity of the self across time” (Pierce, et al., 2001, p. 300).

Thus, ownership can be seen as an extension of the self. This definition includes continuity which is important for organizational identity. Moreover, ownership is something that can last over time. In a similar vein, Dittmar (1991, p. 167) has argued that an owner can derive functional as well as symbolic meanings and functions from possessions:

“Instrumental purposes of possessions are their direct functional uses and the environment they afford.”

Similarly Hall and Koiranen (2007) have described ownership as having a “multifaceted nature” which is highly relevant for family businesses. Already Gersick et al. in their three-circle model had one circle reserved for ownership. Hall and Koiranen criticize the idea that in the family business literature ownership has often been viewed from a legal/economic angle. They define three dimensions of ownership of which the legal/economic is just one. The others are psychological ownership and socio-symbolic ownership. Nordqvist (2005) introduced the concept of socio-symbolic ownership which consists of social interactions and symbolic aspects of ownership. This kind of ownership is linked to a particular context and it is the actors who make interpretations of it.

Dittmar (1991) also argues that even functional meanings of possession/ownership can have a related symbolic meaning. She argues “[t]hus, a highly significant dimensions of material objects is that they serve a symbolic expression of who we are.” (1991, p. 167). This is parallel to organizational identity which is said to answer the question of “who we are” (Albert & Whetten, 1985). Furthermore, Dittmar emphasizes that the symbolic meaning is culturally and context-bound. This is probably even more so, when talking
about family business (cf. Stewart, 2003). These ideas have led to increasing discussion of the meaning of ownership within the family business literature. A family business is an extension of the owning family that expresses their self-identity and allows for continuity. Koiranen (2007, p. 124) describes family ownership as collective and relational and defines it as follows:

“Co-ownership is a possessive relationship where the owning subject is a collective, such as a couple, a team, or a family.”

Koiranen (2007) argues that due to cultural socialization the next generation in a business-owning family will be raised with a sense of being a family business and have an owner identity. Taking Pierce et al. (2001), the question is whether collective owners as defined by Koiranen (2007), also have a collective self-identity. Scott and Lane (2000) have argued so. Thus there can be a collective family owner identity which allows a family to express its self-identity and gives them continuity as owners but also the object of the ownership the business. In the coming section I further discuss the link between ownership and identity.

3.2.1 Ownership and family (business) identity

In her dissertation Florin Samuelsson (2002) studies accountability in the family business context. Following an interpretive approach, accountability can be understood as who is responsible for what, whom and over what in the firm. Florin Samuelsson argues that the organizational identity construction is intertwined with control and accountability in the firm. She even speaks of a family business identity which existed in the companies she studied. However, organizational identity was not in the focus of her study calling for further studies in this matter.

“With an interpretive approach, attention could be directed to how family control might or might not be an important part of organizational identities…”

(Original emphasis Florin Samuelsson, 2002, p. 289)

Hall (2003) also looked at identity issues in her dissertation, albeit not organizational identity in the family business context. She followed the strategizing process in family businesses and discovered a paradox of identity which refers to a simultaneous need for belonging and the separation of family members in the family institution. Moreover, she found that the business can be seen as an extension of the family giving meaning to both the individuals and the business. Interpreting her work it appears to me that this paradox is at least partly due to viewing the family as an institution. This view is compelling, yet it takes away from the idea of organizational identity as a distinguishing factor. It could be argued that institutions are a way of evening out differences whereas organizational identity tries to emphasize the differences. Recently, Laakkonen investigated the construction of entrepreneurial identity in the family business context (2012). She found that families build entrepreneurial identities on their value systems. She further underlines the role of family
members as owners but does not consider the construction of organizational identities.

More recently, Sundaramurthy and Kreiner have argued the following:

“Family businesses are unique in that two not necessarily compatible identities - the family and business - interact.” (Sundaramurthy & Kreiner, 2008). They argue that the family can be a source of belongingness and identification which makes them less vulnerable to issues of separated ownership and control. But an identification that is too strong may also lead to conflicts and a lack of focus (Levinsohn, 1971). As Sundaramurthy and Kreiner do not touch upon organizational identity it is not surprising that they disregard the concept of hybrid identity even though their quote matches the definition provided by Albert and Whetten (1985) quite well. Their assumption is also that family and business are two separate incompatible things. However, this is a view of family business as a dualism which also has been criticized in the family business literature (Whiteside & Brown, 1991).

Drawing on role theory, Shepherd and Haynie (2009) introduce the concept of a family business meta-identity, combining and unifying family and business identities as an umbrella identity which can help in solving conflicts between the identities. They define the business identity as follows (Shepherd & Haynie, 2009, p. 1251, original emphasis): “…business owner identity as the set of behavioral expectations associated with the business owner role.” With behavioral expectations they refer to extrinsic rewards, devotion to the business and employees, and social legitimacy. In their definition, they are not explicit about whether it refers to a collective of owners or individuals, and this might not be relevant for the argument of role conflicts due to the different role identities as family and as business. Koiranen (2007) has argued that there will be a cultural socialization of owners in the next generation in owning families. In addition, their assumptions concerning the nature of a family business can be considered outdated (Whiteside & Brown, 1991).

Shepherd and Haynie (2009) do not discuss ownership. From their business owner identity they take the “business identity” to their model, leaving out “owner”. From my understanding however, the ownership dimension has a significant impact which is not reflected in their definition. As described previously, ownership is relational and socially constructed. Taking Pierce et al. (2001) into account, ownership can also be seen as an extension of the self which expresses self-identity, and being an owner of a family business is a more complex notion than the role expectations suggested by Shepherd and Haynie. For instance, Zellweger and Astrachan (2008) develop a model to estimate the emotional value in an ownership stake. This is important for evaluating ownership stakes and shows that ownership is indeed very complex.

Nicholson made the following statement: “Ownership is the key.” (Nicholson, 2008, p. 78). For him, a family creates identification with the business through emotional ownership but this also carries the risk of over-identification which may lead to an unwillingness to make decisions which
require cutting costs, departments or products because they are too loved by the owning family.

Now I turn to family control in order to untangle the empirical phenomenon further.

### 3.2.2 Family control

The term family control stems from a discussion on corporate governance which has become a popular topic in family business research (Zahra & Sharma, 2004). La Porta et al. (1999) used an operational definition of family control of 20% of the voting shares with no other dominant shareholder as the criterion. In a second case, when no other dominant shareholder exists 10% can also be defined as a controlling ownership stake. Thus, family control is equated with an ownership stake that allows the family to control the corporation. Recently, Pierce and Rodgers (2004, p. 593) posed the following question: “Is ownership simply a governance issue, a narrow concept best conceptualized and operationalized in terms of an equity stake in the organization as suggested by the majority of the macro-organization and economic main effect studies, or is ownership a broader and multidimensional construct?”

They go on to argue that ownership is not only a state of possession but that there is also a psychological dimension to ownership, but I want to focus on the ‘control’-issue here. Shanker and Astrachan (1996) used family involvement as a way to define the influence of the owning family on the business. They had three categories, from broad, to middle, to narrow. Many have criticized the problem of operationalising family business, ownership or family control. For example, (Corley, 2004) note the context sensitivity of definitions as well as the use of reductionist proxies. Proxies such as family members on the board of directors or shares ownership by family members may not capture the ‘essence’ of family business (Astrachan, et al., 2002). In line with this reasoning Zellweger et al. (2010) introduced organizational identity as a complementary concept to familiness. Together with the components of involvement and the essence approach (Chrisman, Chua, & Sharma, 2005) Zellweger et al. developed a typology of family firms that may or may not utilise familiness to different degrees. They argue (Zellweger, et al., 2010, p. 60):

“…the components of involvement dimension captures the presence of the family in the firm, the essence approach captures family members behavior in the firm, and the organizational identity dimension reflects how the family defines the firm and how the firm operates as a whole. Where a firm is located on the three-dimensional model will have a profound impact on the firm’s ability to create familiness.”

Relating familiness to organizational identity can be meaningful. However, the way Zellweger et al. conceptualize the relationship can be questioned. Based on my understanding, they argue that the organizational identity is defined by
the family. This can be questioned from several angles. First, organizational identity is ‘defined’ or constructed by organizational members and stakeholders (Hatch, 2005), not only by the owning family. An owning family certainly has a central if not decisive role, but it is possible that some organizational members do not agree with the way the family defines the business. Zellweger et al. acknowledge that there can be interface issues between family and firm. The question then arises as to how this affects ‘familiness’. Zellweger et al. argue that familiness is a function of the three dimensions of the components of involvement, essence and organizational identity. Yet, in my understanding the components of involvement and essence are part of the organizational identity, thus, the underlying logic of the model is misleading.

With regards to the components of involvement approach, Garcia-Castro and Casasola (Garcia-Castro & Casasola, 2011) noted that “[i]f management researchers are using ‘family ownership’ as a proxy to discriminate family firms in their econometric models, they are likely to confound family-owned with family-controlled or family-managed firms…”

In their study, Garcia-Castro and Casasola (2011) looked at components of involvement, such as ownership, management, and governance. They came up with a typology of eight possible combinations, of which only that where the family is involved in all three is without doubt a family business. However, they also point to the problem of defining criteria which define, for instance, how much ownership is needed and how many family members on a governing board are sufficient? What they came up with is that there are, based on a study of more than 6000 listed and non-listed companies in 46 countries, only certain combinations that empirically appear, which may reduce the number of theoretically possible combinations. For example, based on the three-circle model, Sharma and Nordqvist (2008) found 72 possible combinations based on the three-circle model of ownership, management and family. Garcia-Castro and Casasola (2011) are aware of the heterogeneity of family firms which is difficult to capture with a components of involvement approach, I also want to refer to Zellweger et al. (2010) who argued that it is possible to have a family firm-like identity without any actual family involvement which allows them to draw on the potential advantages of familiness. In other words, a self-defined family business may not be captured with a components-of-involvement approach. Therefore, I suggest that it is necessary to pay closer attention to the identity of a family business as this will reflect the heterogeneity of family businesses.

3.2.3 Who controls?

Some researchers argue that self-perception is sufficient for calling a business “family business” (cf. Astrachan, et al., 2002; Westhead & Cowling, 1998). This illustrates just one dimension of the diversity of family businesses. Ainsworth and Cox (2003) also noted that the label ‘family’ can be a means of control.
This is an aspect to be considered in terms of organizational identity construction.

As organizational identity construction refers to a collective that share meaning it becomes relevant to ask who is part of this collective. Scott and Lane, by taking a stakeholder approach, define OI as “…the set of beliefs shared between top managers (hereafter called “managers”) and stakeholders about the central, enduring, and distinctive characteristics of an organization” (2000, p. 44). This definition is also based on Albert and Whetten’s definition but it includes the stakeholders. However, it focuses on the managers and their relationships to stakeholders. In addition, control indicates a power dimension, e.g. who is in charge and has the power to make decisions. This is an issue which has not been greatly discussed in the family business literature. But Ainsworth and Cox (2003) argue that family can be a means to control an organization. In their understanding “family” has a normative meaning which can be used to control. This meaning may include dual meanings of difference as well as unity. Their focus is not identity but their thoughts are important for organizational identity construction. Alvesson and Willmott argue that managers use identity work to create “appropriate individuals” (Alvesson & Willmott, 2002). They refer to discursive practices used by managers, and “family” or “family business” could be such a discursive practice. Taking the regulation of identity as a focus for examining organizational control they consider how employees are enjoined to develop self-images and work orientations that are deemed congruent with managerially defined objectives (Alvesson & Willmott, 2002). This focus on identity extends and deepens themes developed within other analyses of normative control. They use empirical materials to illustrate how managerial intervention operates to influence employee self-constructions in terms of coherence, distinctiveness, and commitment. They argue that it exists in tension with other intra and extra-organizational claims upon employee senses of identity in a way that can open a space for forms of micro-emancipation. Even though Alvesson and Willmott are concerned with the identity of individuals it has some relevance to this study. They show that management can, through interventions, control the regulation of identity. In combination with Ainsworth and Cox (2003) it points to the relevance of owners in the family business context. Thus, a family business identity may be dependent on the degree to which management and owners allow it to be present. An important question is then whether the management consists of owner-managers, and how independent managers can be from their shareholders. In family businesses which are not publicly listed owners typically have a direct impact on senior management. But in publicly listed family businesses, owning families are also often in close collaboration with external managers (Boers & Nordqvist, 2012). Therefore, ownership and control are important aspects of organizational identity construction in family businesses.
3.3 Organizational identity in the family business-literature

According to Gioia, Schultz and Corley (2000) organizations “…cannot construct just any arbitrarily chosen identity.” (2000:73). Instead, organizations are bound by environmental conditions which will have an impact on the organization. Family ownership and control form a particular context and environmental conditions that have an impact on organizational identity construction. As I mentioned in the previous sections, family businesses have been described as typical hybrid identity organizations. Early work on family businesses also coined a link to identity, albeit not necessarily to the concept of organizational identity (Schein, 1983; Tagiuri & Davis, 1996). For instance, Tagiuri and Davis argued:

“Relatives who work together share a sense of identity. While this Bivalent Attribute may seem obvious, it is nevertheless a meaningful and important influence on relatives’ behavior both on and off the job. Since work and family domains are intertwined in family firms – a result of the overlap – each action of every employee-relative carries both business and family meaning.” (1996, p. 202)

The shared identity has an impact on people’s behavior and is bound to both the business and the family. Further, the idea of shared identity is also part of organizational identity. However, from an organizational identity perspective identity is shared between organizational members and not (only) between family members. Ultimately, Tagiuri and Davis (1996) already point to the existence of dualities. Recently, Salvato, Chirico and Sharma argue that multi-generational family firms are signified by a strong sense of identity and history (2010), but they do not go into greater depth with regards to organizational identity, as their focus is on founder exits and entrepreneurial renewal.

Tompsonks (2010) offered a recent study of a family business with reference to hybrid organizational identity. She also takes the social actor lens and views organizational identity as institutionalized through identity claims. She follows Whetten (2006), who argues that hybrid identity organizations have the feature of identity referent incongruence.

“The presumed competing sets of priorities - normative and utilitarian - represented by family and business systems, respectively, present these organizational entities with dilemmas of leadership choice and style, strategic planning and purpose, and values and norms not addressed within mainstream organizational theory.” (p. 8)

Based on her study, Tompkins also found that the two elements were not in equilibrium but in her case that family logic trumped business logic. She concludes:

“In sum, findings of this study suggest that the construct ‘hybrid OI’ has been framed at a highly theoretical level of abstraction and, in and of itself,
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does not necessarily determine competing OI claims. The presumed identity management issues created by hybrid organizational forms need greater specification of (1) which institutions form the hybrid in question and (2) what kind of relationship exists among the institutional mandates in the respective hybrid forms. It is not enough to say that hybrid forms consist of two entities ‘not normally expected to go together.’ “ (Tompkins, 2010, p. 180)

That family businesses might be an archetype of such organizations (Arregle, et al., 2007) sounds reasonable. Still, the theoretical argument needs to be revised. As Tompkins argues it is not that simple to assume that all family businesses are hybrid identity organizations, facing similar issues. She continues by arguing that due to the different authorities who have a say in the organization there is a lack of identity coherence which make these organizations less effective. Tompkins argues that there are dilemmas, but dilemmas can also be viewed as dualities (Achtenhagen & Melin, 2003) and dualities require a different perspective as I explained in Chapter Two. My understanding of Tompkins findings is that there are also peculiarities of family businesses which do not easily “fit” mainstream organizational identity theory. But I see the family and business logic as a duality.

Eventually, the concept reached the family business literature. A first article dealing with it was written by Dyer and Whetten (2006). They used the label in relation to the social responsibility of family firms. Their findings, based on S&P 500 companies, indicated that family firms may be more concerned about their image and reputation and therefore avoid activities that might make them appear socially irresponsible. Wiklund (2006) commented on the study and suggested that there are spillover effects where family norms and values spill from the family to the business. Drawing on Carney (2005) Wiklund argues that “[t]he higher the degree of unification between ownership and management, the more the family is likely to instill values, identity, and identification in the firms…” (2006, p. 806). He also suggests that negative moral capital may lead to a decrease in family identity and vice versa.

In 2008, Sundaramurthy and Kreiner referred to the concept of identity (2008). In their view, family identity is unique and will therefore be a potential strength of a family firm. Their argument is, however, that the family and the business each provide an identity which potentially conflict. They therefore draw on boundary work theory and suggest that the boundaries between family and business need to be managed. They further argue that the two identities can be segmented or integrated. In the end of their paper they make a link to OI by referring to multiple identities which from their viewpoint becomes an issue when the two identities of family and business encounter another strong identity which leads to multiple identities. In my view, this reasoning is very similar to that of dualities which need to be managed to overcome tensions (Sánchez-Runde & Pettigrew, 2003). By managing the tensions between identities owner-managers need to address both the family and the business, which becomes balancing work, which constructs an organizational identity.
However, as Zellweger et al. (2010) correctly point out, a family firm identity does not necessarily distinguish it from another family firm which is also emphasizing its family identity. Zellweger et al. (2010) have introduced a broad definition based on self-selection of family firm identity. Bruninge and Melander (2011) agree with Zellweger et al. but also propose a more narrow approach. In addition to the definition given by Zellweger et al. of a general family firm identity versus a non-family firm identity, Bruninge and Melander (2011) argue that it can also be meaningful to take a specific family firm identity. They define it as “identity of being a family firm and being related to a specific family with its heritage, values etc.” (p. 5). Based on their case of the Swedish company MoDo they show how the company constructed a more general family firm identity which was useful in opposition to its competitors and a specific family firm identity which was related to the owning family and their heritage and values.

Shepherd and Haynie spoke of a family business meta-identity (2009), however, they used social identity theory and identity control theory to argue that the family business meta-identity “represents a higher-level identity that serves to inform ‘who we are as a family’ and ‘who we are as a business’ in a way that represents the intersections of these sometimes competing identities, thus defining ‘who we are as a family business’” (Shepherd & Haynie, 2009, p. 1246).

Following their main argument there are potential conflicts arising between the family identity and the business identity which will lead the family business to formulate a meta-identity which combines those two identities and allows for conflict resolution. Shepherd and Haynie built much of their model on similar arguments as Sundaramurthy and Kreiner. Reay (2009), by commenting on Shepherd and Haynie’s idea of a family business meta-identity, suggested taking a closer look at the OI definition provided by Albert and Whetten (1985). This is an important new angle as neither of the two aforementioned papers mention organizational identity. By looking at the OI-construct, Reay links the meta-identity to the institutional environment of the firm which potentially has an impact on the meta-identity. More recently papers have been published discussing the concept from within the family business literature (Zellweger, Nason, Nordqvist, & Brush, Forthcoming; Zellweger, et al., 2010). Zellweger et al. draw on Albert and Whetten and others, and argue that organizational identity has a sense-giving function for organizational members. They further argue that there are common beliefs arising from the family and business which are linked to a common history which gives family businesses distinctiveness. They also see a parallel to what Klein et al. (2005) found and labeled organizational culture. Zellweger et al. (2010) proposed that a strong family firm identity can be due to strong feelings of belonging to the firm by family members, as the firm is ultimately an extension of their selves (Dyer & Whetten, 2006). According to Zellweger et al. (2010) an organizational identity as a family firm, a family firm identity, can be beneficial in many ways. There can be internal benefits as well as external benefits in that it may increase the
family business

They also point out that not all family firms may make use of this, and that non-family firms may label themselves as family firms (Westhead & Cowling, 1998). Eventually, they come up with a three-circle model where one circle stands for the essence approach, one for the components of involvement and one for the organizational identity. Based on the overlap, forms may draw more or less on the family firm identity. Accordingly they categorise firms into sections which also illustrate the heterogeneity of family firms.

In another study, Memili et al. have shown that a family firm organizational identity may strengthen the identification of family members with the organization and thereby influence entrepreneurial risk-taking (and performance) in family firms (2010). This study however, only uses organizational identity as a framework to investigate entrepreneurial risk-taking and image. Therefore the contribution to organizational identity theory can be considered as an application. In another study (Zellweger, et al., Forthcoming), the authors look at the non-financial goals of family firms. They point to the literature on socioemotional wealth (Gomez-Mejia, et al., 2011) which in their viewpoint draws on an identity-related rationale for non-financial goals, however does not relate to organizational identity but identification. Accordingly, they argue that an identity fit between family and business is important for controlling families due to the inseparable ties that exist between the two. They continue to argue that there might be a distinctive family identity and that a business may be part of this family identity. Now assuming role duality of family members, identity congruence can result in harmonious goals, norms and values between the family and the business. Therefore, Zellweger et al. (Forthcoming) argue that there is a need for a fit between the identity of family and business, however this need may vary due to the heterogeneity of family firms. This is an important point, but this theoretical argument appears to artificially separate family and business, which does not correspond to earlier research (cf. Litz, 2008; Whiteside & Brown, 1991). Viewing family and business as duality is more promising (Nordqvist, et al., 2008).

What is interesting from my viewpoint is that there is no reference to hybrid organizational identity in the recently published articles. In addition, these articles take the owning families as the starting point and origin. But organizational identity and especially organizational identity construction requires a broader view, including organizational members. The articles touch upon the owning family and business (Shepherd & Haynie, 2009; Sundaramurthy & Kreiner, 2008) but disregard the organizational level of family businesses. The work of Zellweger et al. (2010) seems to be suitable to addressing hybrid organizational identity since they also refer to a 3-circle model and refer to the overlap of family and business but they do not. Moreover, they all refer to Albert and Whetten (1985) which already includes the hybrid identity concept. A potential explanation could be that they do not refer to Whetten (2006) where the reference to family businesses as hybrid is
very explicit, instead, a key reference used by Zellweger et al. (2010) and Zellweger et al. (forthcoming) is Dyer and Whetten (2006) which is also referred to in Memili et al. (2011). Whetten (2006) in turn refers to Albert et al. (1999). When talking about indispensable elements Albert et al. refer to family business:

“Family business practices perpetuate themselves because the founder of the business is quite often both the principal owner and the family matriarch or patriarch.” (1999, p. 13)

They continue:

“A non-performing family member in the family business cannot be fired without violating the fundamental values of “Family” that provide the underpinnings of the clan system of the firm. Ultimately, any part of an identity can be eliminated. However, once the family business fires one of its own, an identity crisis is provoked as core taken-for-granted identifying values and assumptions are called into question: Is this still a Family-Business? Or are we on the slippery slope towards becoming a family-like business, or a business with strong family values, or a business whose leaders invoke the image of a family as an instrument of hegemony?” (p. 14)

The way they define family business does not correspond to the recent development of research in the field as it assumes that there is only one type of family business. They therefore do not account for the heterogeneity of family businesses. Furthermore, there are also many family businesses which managed generational transition successfully. It is of course possible that firing a family member can lead to fighting. But it is not always the case that several family members work in a business. How Albert et al. refer to a family-like or a business with strong family values indicates that they do not consider them to be ‘real’ family businesses. Furthermore, is this in contradiction to the development of the family business literature that offers wider definitions (Chua, et al., 1999). It also does not foresee the recent development in the family business literature on familiness and family firm identity (e.g. Zellweger, et al., 2010).

With regards to Dyer and Whetten’s (2006) article one aspect should be mentioned. They defined family firms as follows:

“A firm was designated by Business Week as a “family firm” if members of the founding family had continued to remain as significant company shareholders and/or members of the founding family were still in senior management or held a seat on the board of directors. Using these criteria, 59 firms that appeared in the S&P 500 for the 10-year period were designated as “family firms” and 202 firms were designated as “nonfamily firms.”” (Dyer & Whetten, 2006, p. 792)

So, first they rely on a definition made in Business Week. To operationalize family firms in that manner is not totally wrong and has been done similarly by La Porta et al. (1999) and Anderson and Reeb (2003). However, the distinction between family and non-family firms has been criticized in the literature (e.g.
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Westhead & Cowling, 1998; Westhead, et al., 2002) as it ignores the heterogeneity of the population of family firms (e.g. Melin & Nordqvist, 2007). Furthermore, Wiklund also critically comments on the chosen operationalization and speculates about potential differences due to a different definition of family business used (Wiklund, 2006, p. 805). Interestingly, Wiklund (2006) does not refer to the heterogeneity of family businesses but to the heterogeneity of the non-family businesses which is of course a valid point, but also could have been made for family businesses.

In general, it seems, that the topic has gained acceptance in the family business literature. However, the references used still very much rely on Albert and Whetten (1985) and more recently on Dyer and Whetten (2006). This is understandable as the number of articles discussing organizational identity is ever increasing. On the other hand it is disappointing because the study of Dyer and Whetten (2006) is not a true organizational identity article, focusing rather on reputation and listed companies. Thereby, it also confirms Astrachan’s criticism of the sampling problem (US-based, listed, and family vs. non-family) in general management research which does not represent all types of family businesses.

3.4 Summary

In this chapter I presented theories about family businesses. After a general discussion on family businesses I elaborated on the notions of family control and ownership. Stemming from the corporate governance debate, they often related to operational definitions of family businesses. I however, suggest a much wider meaning of the term ‘ownership’ which is particularly relevant when discussing family ownership. From the debate on ownership we know that the notion can have extended meanings which go beyond the formal/legal ownership. Ownership is an important aspect of identity. It can give meaning to someone who owns, but it gives also meaning to an object that it is owned by someone. Therefore, I argue that ownership influences an organization’s identity and has to be considered when studying organizational identity construction. The notions of family control and ownership in its extended meaning are important with regards to organizational identity construction as they can include aspects of identity control and regulation (Ainsworth & Cox, 2003; Alvesson & Willmott, 2002). The family business therefore offers a suitable context for understanding identity construction. Alvesson and Wilmott (2002) offer a thought-provoking angle when talking about identity regulation through management control. The explicit focus on management is not uncommon in the organizational identity literature (e.g. Scott & Lane, 2000) which has also been criticized (Gioia, 1998). In light of the centrality of owning families in family businesses which has also been observed in more recent findings on organizational identity construction (Alvesson & Empson, 2008) I
suggest extending the focus on managers to include owners. This is necessary not least with regards to the suggested dualities perspective which also focuses too narrowly on managers (Sánchez-Runde & Pettigrew, 2003).

In my review of studies that deal with (organizational) identity in the family business literature it does not look as if the family business-literature has grasped the complexity and richness of the organizational identity-literature, as there is a heavy reliance on Albert and Whetten (1985) and more recently Dyer and Whetten (2006). To my surprise, no one has adopted the concept of hybrid identity organizations except Tompkins (2010) even though family businesses have been mentioned as stereotypical of such organizations. Even though I take a different angle than Tompkins I share her criticism of the concept. In addition, family business research seems so far to have ignored organizational identity construction. Therefore I suggest drawing on a dualities perspective which allows consideration of the peculiarities of family businesses in organizational identity construction. There are many studies which emphasize the seemingly dualistic character of family businesses. However, these characteristics are often presented and described as opposites which implies the need to prioritize one over the other, e.g. family first or business first (Ward, 1987). This view is a stark simplification which does not account for the complexity of the phenomenon “family business”. This view has unfortunately made its way through the journals and has only recently been questioned (Uhlner, Kellermanns, Edleston, & Hoy, 2012). Some even argue that it is necessary to shift the level of analysis from the firm level to the family level in family business research (Zellweger, Nason, & Nordqvist, 2012). This is important but I think one should not go from one extreme to the other, i.e. from focusing entirely on the family instead of the business. Taking a dualities perspective requires us to consider both. This dualities perspective also allows us to overcome the criticism of the dual-systems approach (Whiteside & Brown, 1991) which is still present in current family business research. The dualities perspective does not view family and business as separate systems, rather it implies family business as a duality including both family and business, and not either/or. Dualities emphasize seemingly contradicting elements which contribute to the peculiarities of family business, that is, their strengths and weaknesses (Melin, 2012).
4. Methodology

Morgan and Smircich (1980) as well as Gioia and Pitre (1990) point out that researchers hold different assumptions about ontology and epistemology which can be related to different paradigms. In a recent review, Ravasi and Canato argue: “…asking about what counts as evidence of OI is an epistemological question that requires the disclosure of deeper ontological assumptions.” (Ravasi & Canato, 2013, p. 186). In this chapter I elaborate on my assumptions and present the study design I have chosen.

The purpose of this study is to understand organizational identity construction. Stake (2011) argued that understanding is based on experience.

What should be understood? According to the wording ‘organizational identity construction’ is in focus which implies a process. What does understanding mean?

“…sense making is a historically and socially contextualized process and that the subject of study is itself historically and socially situated. Understanding is not possible from a position entirely outside of the focus of analysis: Prior knowledge is a mediating factor in sense making.” (Yanow & Schwartz-Shea, 2005, p. 10)

Apparently, understanding is about making sense. However, this takes places within a context. Furthermore, understanding is related to analysis. In other words, analysis is not free from understanding; rather it requires some ‘prior knowledge’ on which the sense-making is based, i.e. the theoretical frame of reference. Chapters Two and Three are part of my prior knowledge. I now explain how I went about studying organizational identity construction.

4.1 How to study organizational identity construction?

This is an important question as there are different understandings of organizational identity which in turn influence what can be constructed. Recently, Ravasi and Canato (2013) found that studies of organizational identity may use similar labels but may not refer to the same things, i.e. the focus on what and how to study may differ significantly. For instance they argue that empirical studies which focus on organizational identity are a recent (2002-2011) phenomenon which, amongst other things, promotes an interpretative approach to studying organizational identity as a social construct (Ravasi & Canato, 2013). Principally, one can distinguish between those who argue that
organizational identity is an organizational metaphor and those who argue that it is a “real” phenomenon (Corley, et al., 2006). In my view, there are phenomenological aspects of organizational identity and its construction which can be studied. This does not mean that there is or has to be a single and observable organizational identity. Rather, it implies that there are different perspectives which I consider in my study. A further discussion can be found in 4.5.

As the focus is on organizational identity construction it is possible to study the activities and behavior of organizational members which is often represented in verbal and textual form. Corley et al., (2006) explain that organizational identity provides a self-referential point that gives meaning to the collective members of the organization. Those meanings can be more or less open, accepted and believed. Further, as Corley et al. (2006) argue organizational identity is context-dependent and can assimilate with or differentiate itself from others. There are indications that organizational identity influences how members of organizations interpret issues and roles, responses to problems or feelings about outcomes (Golden-Biddle & Rao, 1997). Thus, the dominant understanding of an organizational identity will influence the organizational identity construction (Hatch & Schultz, 2002). Hatch and Yanow point to the mixing of “realist” and constructionist views in Albert and Whetten’s definition (Hatch & Yanow, 2008). Yet, it is important for studying organizational identity construction that organizational members and other stakeholders have an understanding of organizational identity, even if their understandings are different (Corley, et al., 2006). The empirical context of the study is family businesses in the media sector. Recently, Nordqvist, Hall and Melin (2009) have argued that in order to capture the dynamics and complexity of family firms an interpretive approach is necessary for an in-depth understanding. Coming myself from a family business I know that many aspects characterizing such organizations are difficult for outsiders, or single questionnaires to capture. Decision-making processes are very dependent on the owners. Of course, there are variations based on the size of the organization but ultimately the owners decide the direction the business takes. It is likely that this is not so clear-cut in a big organization. However, in another study I made into publicly listed family controlled firms we could also see that even external managers and CEOs consult their main family owners in order to gain support for strategic decisions (Boers & Nordqvist, 2012). The level of understanding that my study is aiming to achieve therefore requires an in-depth approach which cannot be reached through a quantitative study design which often delivers only snapshots of an organization. Due to the multigenerational dimensions of family businesses it is important to include aspects of organizational history. The answer to the initial question is therefore elaborated in the coming sections.
4.2 Interpretive research

Gioia and Pitre (1990) have summarized interpretive research as aiming to “to describe and explain in order to diagnose and understand” (p. 591). This is in line with the purpose of my study. As the goal or purpose is to understand organizational identity construction, my first step is to describe the organizations included in the empirical section. Of course, the description/story is an interpretation or sense-making (Golden-Biddle & Locke, 1997). I developed the stories and based on feedback revised those several times.

Gioia and Pitre have described theory building in interpretive research as follows:

“Therefore, the goal of theory building in the interpretive paradigm is to generate descriptions, insights, and explanations of events so that the system of interpretations and meaning, and the structuring and organizing processes, are revealed.” (1990, p. 588)

Research according to this paradigm has been described as cyclical, iterative and nonlinear (Gioia and Pitre, 1990, p. 588). I encountered a phenomenon (organizational identity and its construction) which I think is very relevant to an empirical context (family business). As the theoretical linkages between the two are still being developed and are often based on repetitive claims I argue that it is necessary to “dig deeper” in order to understand both. As both topics are increasingly discussed in the academic literature I followed the lead of interpretive research.

The ideas of interpretive research are well discussed, and founded in Burrell and Morgan (1979). According to Prasad and Prasad (2002) the ideas of interpretive research are further rooted in the philosophy of social construction (Berger & Luckmann, 1966). Accordingly, the social reality in which we live, act and behave is built or constructed by humans as social beings through meaningful interpretations. Thus, there is no objectively observable world that consists only of facts. Instead, knowledge of this world is based on lived experience (Sandberg, 2005). According to Sandberg (2005) this belief is common to most approaches that use the label interpretive research. I also follow this line of reasoning. I believe that human beings make sense of the world in which we live in. This understanding and this sense-making is what makes us unique. Only by going out there and meet the people in their organizations can we reach an understanding that goes beyond the surface.

Alvesson and Sköldberg (2000) uphold the idea of interpretation in a reflexive manner. This requires the researcher to be self-reflective as well as rigorous and transparent. They further argue that reflexive research is the specific and particular version of reflective research. But as Alvesson and Sköldberg underline there are different levels of reflexivity. Therefore, interpretive research for me is about understanding. In my research the
phenomenon under study, organizational identity construction, is itself a process. I have tried to be self-reflective, rigorous and transparent. I transcribed my interviews and made notes after each interview which later helped me in my interpretation. I crafted case descriptions and wrote papers which I presented at both internal seminars and research conferences. This helped me to develop my understanding as well as sharpen the rigour of my work. Writing this chapter is also part of this process, as is the constant revision based on feedback from my supervisors. What is also essential in interpretive research, is the interplay between theory and empirical material (Alvesson & Sköldberg, 2000; Suddaby, 2006). Accordingly, I returned to theory, i.e. academic articles and books, during and after conducting my empirical study. In other words the data collection was not a linear event. Rather it was stepwise, iterative process. I visited the organizations several times which gave room for sense-making.

4.3 Case study research

Case study approaches have been proven useful not only in studies of organizational identity (e.g. Dutton et al., 1991) but also in studies of family businesses (e.g. Nordqvist, 2005; Steen & Welch, 2006). They are a well-accepted approach to research (Eisenhardt, 1989; Yin, 1989). As Eisenhardt (1989) suggests and Dyer and Wilkens (1991) agree, case study research can and should use multiple tools of data collection. It is even possible to have different assumptions about ontology and epistemology when conducting case study research, as Eisenhardt (1989) points out. Thus, case study research might not draw exclusively on qualitative methods. One of the strengths of case study research is the combination of multiple sources for information and data collection methods. I follow an in-depth case study approach. According to Pettigrew (1990), this implies rich data but also multiple sources of information gathered over longer periods of time. In the appendix I have listed the interviews which I conducted in Mediengruppe Rheinische Post (MRP) and Stampen. In addition, I studied further sources of information with a special focus on biographies of key actors in the specific organizations (cf. Appendix 1). Furthermore, I made use of company information such as annual reports, websites, and also other studies in relation to the organization concerned. These multiple sources helped me develop an understanding of the organizations over time. I was able to develop an understanding of the founding processes of MRP. In Stampen, I focused not so much on the foundation but rather on the time when Harry Hjörne took over the organization. In that regard, the organizational histories are very different, which illustrates the diversity of family businesses.

Stake (2011) argued that cases are not always what the common sense would expect. He writes:
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“The object (target) of a social inquiry is seldom an individual person or enterprise. Unfortunately, it is such single objects that are usually thought of as ‘cases’. A case is often thought of as a constituent member of a target population. And since single members poorly represent whole populations, one case study is seen to be a poor basis for generalization.” (p.23)

Gomm and Hammersley (2009) argue that the term case study can have many different meanings and is partly used synonymously with, for instance, qualitative research, ethnography or life history (p. 1).

In a similar manner Platt (1987) writes that the notion is indeed unclear. She makes an important point when saying:

“No one other than the researcher (or the secondary user) can answer the question of what, if anything, a case employed is meant as a case of, and the choice of case cannot be evaluated without knowing that.” (p. 113)

Therefore, I try to elaborate my understanding of case study research in this and the following section.

According to Stake (2009) the purpose of case study research is not to draw generalizations in a statistical manner, but to focus on understanding. Similarly, Nordqvist et al. (2009) argue that family businesses are a specific context which often is signified by the complexity and diversity of the family dimension. The notion of dualities is one example. In the family business literature this has also been discussed as the heterogeneity of family firms which basically means that families are very different and consequently their role and influence within a family business can differ, even though ownership stakes are the same. I study two family businesses in my dissertation, but there are considerable differences which cannot be simply captured and explained by looking at the generations, ownership stakes or involvement of the senior management. For instance, in MRP, Karl Hans Arnold is managing director and Gottfried Arnold is chairman of the board as well as publisher of Rheinische Post (RP). As Gottfried is also the father of Karl Hans this is a classic family business constellation (Nordqvist & Melin, 2002). Consequently, I believe that an interpretive case study approach is most suitable for my dissertation project.

As mentioned before my purpose is to study organizational identity construction. Flyvbjerg (2006) argues that case study research offers context-dependent knowledge which is necessary to progress to advanced knowledge. Furthermore, he goes on to argue that in studying human affairs there exists only context-dependent knowledge. In other words, he argues “…that there does not and probably cannot exist predictive theory in social science.” (Flyvbjerg, 2006, p. 223). In Flyvbjerg’s viewpoint the case selection is essential. He offers different strategies for case selection. One is to select one or more cases from which the researcher expects to obtain information relevant for the topic. I selected two organizations which are family businesses in the media industry. I explain how I went about this in the next section.
Selecting the organizational context

The organizations have been chosen for several reasons. Family as well as media businesses have been named as stereotypical cases of organizations with explicit multiple identities. Family ownership is important to identity (Hall, 2003; Tagiuri & Davis, 1996) and media organizations have multiple identities (Fagerling & Norbäck, 2005). The media industry is known for being dominated by family ownership (Gomez-Mejia, et al., 2001; Picard, 2005b), therefore family businesses in the media industry are a very suitable empirical context for studying organizational identity construction. Another reason for selecting the cases was the fact that I had access to them. The cases offer rich data to illustrate the organizational identity construction (Siggelkow, 2007).

According to Eisenhardt and Graebner (2007), case study researchers are often falsely expected to select ‘representative’ cases. Eisenhardt et al. (2007) reject this expectation by arguing that the purpose of case study research is theory development, not theory testing. Thus, theoretical sampling is an appropriate method, i.e. “…cases are selected because they are particularly suitable for illuminating and extending relationships and logic among constructs.” (p. 27).

The organizations selected were chosen because they illustrate a particular context for organizational identity construction (more below). I follow Flyvbjerg (2006) who argues that there are different approaches to case selection and different kind of cases. Determining the kind of case may only be possible afterwards. As previously argued, I selected these cases because I hoped to find sufficient information for understanding organizational identity construction. Based on the case descriptions in Chapters Five and Six I argue that they offer both richness and depth with regard to organizational identity construction.

In the introduction and problem discussion I have narrowed down the empirical context to family controlled media businesses. Typically, the chosen purpose guides case selection. My purpose has a theoretical as well as an empirical dimension, where the former has led to the latter. Organizational identity construction is a process. Becker (1983) argues that case studies are suitable for investigating processes. In order to account for the processual character of organizational identity construction I not only conducted interviews but also used further sources of information.

Another question concerns whether one case is enough or whether multiple cases are preferable. There is less published empirical work on organizational identity than its conceptual counterpart (Ravasi & Canato, 2013). Some researchers argue that a single case offers the possibility of greater depth of study (Dyer & Wilkins, 1991) and should therefore be preferred over multiple case studies. However, the counter-argument claims that multiple cases offer a stronger basis for theory building (Yin, 1989) and allow comparison between cases, thereby making the research more robust (Eisenhardt & Graebner, 2007). Eisenhardt and Graebner (2007) suggest following a theoretical sampling
approach which includes ‘polar types’ to better find contrasts among the selected cases. Similarly, Siggelkow (2007) emphasizes that having representative cases is not the aim of case study research. Cases are rather selected due to their illustrative or special features. For the purpose of this thesis it seems appropriate to lean on Flyvbjerg and Siggelkow, especially when considering the heterogeneity of the population of family businesses. In order to make the cases comparable they should be chosen following certain logic (see Table 4). The initial idea involved pairs of companies (in Germany and Sweden) which were similar in at least some aspects. I had chosen to focus on the media (newspaper) industry.

**Table 2 Selection criteria**

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Specification</th>
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<tbody>
<tr>
<td>Family ownership</td>
<td>Yes</td>
</tr>
<tr>
<td>Family involvement in business</td>
<td>Yes</td>
</tr>
<tr>
<td>(active ownership)</td>
<td></td>
</tr>
<tr>
<td>Generational aspects</td>
<td>Multigenerational FB, where success is or has been an issue &gt; 2nd generation +</td>
</tr>
</tbody>
</table>

A number of organizations in Germany and Sweden were suitable and I initially intended to study two in each country. But more than two organizations could not be used due to limitations connected with the planned depth of the study and access. After consulting with my supervisors I understood that four organizations would not offer more depth than two organizations: two organizations offer sufficient possibilities for comparison.

In this study the organizations of study have been chosen because they seemed to offer rich information about organizational identity construction. As I am a German who has lived in Sweden since 2006 it was logical to select organizations in both countries. In case study research the context is important for understanding (Pettigrew, 1990), and a certain familiarity with the context can be helpful. I therefore decided to take advantage of my background. However, selecting four organizations would have meant a reduction in the depth and richness of each case in the given time frame. Of course, having companies from different countries might be considered risky, but it also offers a comparison through which to establish the relevance of the findings.

My industry of choice is the media industry. This is of special interest because it represents a context where family ownership is still common (Djankov, McLiesh, Nenova, & Shleifer, 2003). In their study of media ownership in 97 countries Djankov et al. found that the majority are owned either by government or private families. Media companies, and more specifically newspaper companies, also offer new insights from an organizational identity-perspective (Brunninge, 2007).
Through the Media Management and Transformation Centre (MMTC) at Jönköping International Business School, and Professor Robert Picard, I was able to access two media organizations, Stampen and MRP. Professor Karl Erik Gustaffsson introduced me to Peter Hjörne of Stampen who approved my study and introduced me to key informants such as Tomas Brunegård. I then had an initial interview with Peter, who told me that he had discussed my project with Tomas, who is the CEO of Stampen. In MRP, Professor Picard put me in contact with Professor Heinz-Werner Nienstedt who established access to MRP. A further description of my access to the chosen organizations is presented in 4.5.

In-case and between case design and interpretation

Data for case studies can be collected through different sources of information. In each of the studied cases several interviews were conducted and other material was collected which can be seen in the tables in the appendix.

The organizations MRP and Stampen are case settings or contexts. In each setting I found many stories and individuals relevant to my study. In order to fit the study purpose I selected issues and points that seemed to give a clear picture of the organizations. I looked for similarities and differences which would allow me to make reasonable comparisons. In a first step I transcribed the interviews conducted in each organization. This was time consuming since the interviews were conducted in English, German and Swedish. As the dissertation is written in English some quotes have been translated from the Swedish or German. Initial coding of the non-translated transcripts of interviews and excerpts from annual reports and in-house magazine was done using Nvivo software. I decided to stick to the original untranslated transcripts so as to be as close as possible to the original wording. It was easier to identify identity claims and events of organizational identity construction in the original language. Wong and Poon (2010) reveal that translation is culturally sensitive and includes a power perspective. This is important, even though I translated the transcripts myself. Transcription which takes place before translation is what Bird calls a “learning experience” which can be considered a central phase in data analysis (Bird, 2005, p. 227). She further highlights the importance of the fact that person transcribing also interprets during the transcription process. This is an important step in sensemaking and lays the ground for the later translation. Similarly, Tilley argues that the process of transcription influences later work with the text and thereby influences research results (Tilley, 2003). Through transcripts the reader gains access to events in which they did not take part. The reader therefore has to bear in mind that several rounds of analysis/interpretation have taken place before the final manuscript, including excerpts of transcripts, is available.
4 Methodology

**Coding**

The first step was to undertake a frequency word search query. The most frequent words were then analyzed by looking for patterns. Sentences that included, for instance, the names of owners were coded, and then analyzed. The codes were then grouped as, for instance, ownership, or family. Using these codes I looked for a ‘story’ to evolve, and after several revised versions and the presentation of conference papers, the stories became more and more mature, finally evolving into those that are presented here. In accordance with my theoretical framework the stories evolved around the four dualities which build the pillars in both stories. I also emphasized the origins of the organizations, with a focus on the founders (MRP) or long-term owners (Stampen).

Having two stories to compare allows for further understanding. Eisenhardt and others (Eisenhardt, 1989; Eisenhardt & Graebner, 2007) are in favour of multiple case studies. They argue that they allow comparisons between cases, thereby making the research more robust (Eisenhardt & Graebner, 2007). However, Eisenhardt has also been criticized for mixing case study research with hypothesis testing (Dyer & Wilkins, 1991). Others have criticized the danger of omitting important phenomena when drawing on multiple case studies (Siggelkow, 2007). I think that this is an important discussion and do not intend to claim that multiple case studies are better than single case studies. Instead, I argue that by relying on two organizations I have the chance to understand similarities and differences in organizational identity construction in family businesses. Why did I choose one organization from Sweden and one from Germany? Simply because I had the chance to do it. Furthermore, Bird, Welsch, Astrachan and Pistrui (2002) criticized the fact that a lot of published research into family businesses is taken from a US context and thereby ignores other contexts. As well as responding to the general critique of the relative neglect of family businesses and the dominance of publicly listed, US-based companies I think my chosen organizations offer a new and different perspective on organizational identity construction.

Dyer and Wilkins (1991) argue for an approach they call ‘classic’ case studies (p. 619) according to which it is possible to develop theory with fewer than four cases. Their view of case study research can be summarized in the following “…the careful study of a single case that leads researchers to see new theoretical relationships and question old ones.” (p. 614). They criticize the fact that Eisenhardt’s approach would be too surficial and emphasizes case comparison at the expense of in depth case analysis. They also point out that there is a certain predisposition towards focusing on existing theories when Eisenhardt is followed. Instead, Dyer and Wilkins emphasize the importance of focusing on a rich and well-described context or phenomena. The stories told are therefore of great importance because they will have a higher impact.
Ultimately I think that studying two organizations in depth offers richness and gives me the opportunity to compare findings in order to reach a better understanding.

4.4 Evaluating the quality in research

In a doctoral dissertation readers and reviewers typically expect to find information about how an author has conducted their research and whether this approach can be evaluated through criteria such as validity, reliability and generalizability. However, these criteria originate from a positivist stance according to which there is an objectively observable truth. In this dissertation I follow an interpretive approach according to which knowledge is based on lived experiences of reality. I therefore want to quote Sandberg who phrased my point nicely: “...it would be inconsistent to justify knowledge produced within this tradition using criteria based on an objectivist ontology and epistemology.” (Sandberg, 2005, p. 44). Of course, this does not mean that interpretive research does not need to bother about quality of research, rather, that the criteria need to be different.

Wigren (2007) brings up two important points. She argues that qualitative researchers need to find ways of demonstrating the trustworthiness of their research in a well-articulated form. She concludes that ‘quality standards’ for qualitative research could be a solution. Wigren (2007) makes an important point when asking who is judging ‘good’ quality, and names three target groups, i.e. the research community, the people studied, and other practitioners (p. 399) who all have different expectations of the research(er). Unfortunately, often the only group that is considered, as Wigren explains, is the academic world which is a rather small and by no means perfect to judge the quality of research. As it stands, however, this group is the critical group for my research, and thus, I have to fulfill their demands.

Trustworthiness

Nordqvist et al. (2009) have formulated some important points to increase the trustworthiness of interpretive research:

“i) Be internally consistent: they should lack logical contradictions and provide an interpretive system where their parts are linked to a larger whole.

ii) Be externally consistent: either they should agree with other theories or give plausible reasons and arguments for not doing so.

iii) Combine closeness and distance: make individual details of the empirical material more understandable, while at the same time make clear broader themes and conclusions emerge from this empirical material.
iv) Put into a more holistic understanding: elevated above the common-sense level, by yielding a deeper understanding of the empirical material through linking it to the interpreter’s evolving and successively increasing understanding of the phenomenon under study.”

I have tried to be internally and externally consistent in my arguments. I relate my study to existing research and point out when I do not agree with others, e.g. hybrid identity.

In my case stories I have also tried to combine proximity and distance by starting with general descriptive information before going into detail and letting the interviewees have their say. From Chapter Seven I present my understanding which goes beyond description. In the appendix I present a list of the interviews conducted and a sample interview guide which makes it possible for the reader to review my research approach. I also present the secondary sources I used in both companies to complement the interviews.

4.5 On data collection

In a recent review, Ravasi and Canato (2013) found that despite the relatively small number of empirical studies on organizational identity there are a multitude of methods used to capture the phenomenon. Semi-structured interviews are, according to their review, a common method. These are often complemented and or combined with other data sources such as archival data and observations. My main sources of data collection are interviews which I complement with archival data and, to smaller degree, observations. Regarding interviews, the question is who to interview? I already argued that organizational identity and its construction is not a purely managerial task. In order to account for the different perspectives and also illustrate the social construction I conducted interviews at different levels. Due to the chosen context (family businesses) aspects of ownership play a central role and so not only interviewing owners but also asking others about ownership was a recurring theme in my interviews.

*Interviews*

As mentioned previously interviews are a well-established and accepted means of data collection within interpretive research. A list of interviewees can be found in the appendix. In both organizations initial contact was established through a third person. In the case of MRP, I had a first telephone conversation to introduce the project with Professor Nienstedt with whom I had become acquainted through Robert Picard, then director of MMTC. At that stage MRP was not the only possible organization for study, however, after sending a brief description of the research project, MRP appeared to be a good choice. I then had a first meeting with Patrick Ludwig, the managing director...
responsible for administration and finance. He is not member of any owning families of MRP.

We discussed the project during this first visit in December 2008. I suggested visiting MRP twice to conduct my interviews. My wish was to speak with members of the senior management, advisory board, trainees, work council and owners. Since I did not know the organization of the company and was only present for one week at a time I accepted the offer to let them schedule my interviews. After my first visit in February I got to know the organization better and asked for some additional interviews during my stay in March 2009 which had already been planned. One of the initial topics that seemed to be of interest was internationalization, and so this topic was addressed in all interviews. During the interviews the idea arose of speaking to the managers of one of the foreign subsidiaries. The activities in the Czech Republic had always been of interest to me, not at least because MRP took over the free newspaper ‘Metro’ in Prague from one of the Kinnevik1 subsidiaries. It seemed like a good opportunity to understand the organizational identity construction of the media group RP, through talking to people in Prague. These interviews were finally conducted in May 2009. Being German, the interviews were conducted in German, but two interviews in Prague which were conducted in English.

Before each interview, the interviewee received a two page summary of the research project, information about the interviewer and the general points that I intended to address during the interview. Brief information on the procedure for the interview was also sent. The general points were similar for all interviews, however, there were specific points connected with function of each interviewee, e.g. editor, manager, or owner. When initially discussing who to interview Patrick Ludwig mentioned that new trainees had recently been hired and I asked for the opportunity to interview them in order to obtain a perspective from relative newcomers to the organization. This was also done because Stampen was in the process of recruiting trainees, thus offering another aspect for comparison between MRP and Stampen. Furthermore, Corley (2004) found hierarchical differences in the perception of organizational identity. That there are differences across an organizational hierarchy may not be so surprising but with regards to organizational identity construction I thought it was interesting to look into how new organizational members are “socialized” to the organizational identity. In organizational identification theory, researchers have taken this into account from an individual’s perspective (Ashforth & Mael, 1989). As I am interested in organizational identity I argue that its construction involves different organizational levels, and organizational

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1 Kinnevik is an investment company which became successful by establishing free newspapers in Stockholm. “Free” means that the newspaper is financed through advertisements and is free for readers. Kinnevik is today controlled by the second generation Christina Stenbeck who inherited the ownership from her father. Kinnevik is believed to be one of the biggest spheres of ownership in Sweden.
newcomers, if not involved themselves, will be targeted by organizational identity construction activities.

Initial contact in the Swedish organization Stampen was established through Professor Karl Erik Gustafsson. Before contacting him I had briefly reviewed potential cases for inclusion from Sweden. Robert Picard advised me to talk to Karl Erik who is an expert on the Swedish newspaper industry. Stampen seemed to be a suitable choice, and I knew that Karl Erik Gustafsson had worked with Göteborgs-Posten (GP)/Stampen in the past. I presented my project to him and told him about my German case. He agreed to write an introductory letter to Peter Hjörne asking for permission to study Stampen. Peter Hjörne is the third generation Hjörne in GP/Stampen, and he and his family own the majority of shares. After receiving the permission I had an initial interview with Peter Hjörne in January 2009, however, due to some internal changes at Stampen, further interviews/studies were delayed until June 2009. Further interviews were conducted in 2009-2010. Most were conducted at Stampen sites in Gothenburg but some were telephone interviews. I knew which job functions I wished to involve in interviews, and I discussed this with the CEO, Tomas Brunegård. He suggested some names and also – through his administrator – initiated contact with interviewees.

Unfortunately, it was not possible to interview other members of the Hjörne family, but they are well known in Sweden and there is therefore some material available through secondary sources such as radio interviews, newspaper interviews and news/stories. Moreover, the website of Stampen, unlike that of MRP, provides a great deal of information in the form of annual reports and other such documents. Tables listing the interviewed persons in both organizations and further descriptive information can be found in the appendix. The appendix also includes the interview guides which I used for the interviews.

On trainees
As mentioned in the previous section, I also interviewed trainees in Stampen in order to obtain the perspective of relatively ‘new’ organizational members who could offer a potentially different story to long-term employees. According to a social constructivist perspective (but also according to Albert and Whetten’s definition) an organizational identity is constructed through shared understandings of organization members and other stakeholders, however most research focuses on the perceptions or understandings of senior management (Dutton & Dukerich, 1991; Gioia & Thomas, 1996). In complex, large and geographically dispersed organizations it is difficult to achieve a single organizational identity (Bouchikhi & Kimberly, 2003). Pratt and Foreman (2000) have argued that in multiple identity organizations identities might be distinguished along professional, functional or ideological lines. However, Corley (2004) found that there are differences based on hierarchical levels. As a consequence of these studies I decided to conduct interviews with
organizational members on different functional, professional and hierarchical levels. The trainees in both organizations provide insights from relative newcomers and due to their trainee programs can offer experiences from the different units in which they worked. This helped me to gain an understanding of the organizations that goes beyond that of an organizational chart.

Interviews in both organizations were transcribed and then analysed with the help of NVivo. NVivo allows the collection all sources of information in one place and the analysis of different categories of material. I was therefore able to search for key words and terms in transcripts, articles, annual reports and other text-based material. From these multiple sources I arrived at a more complete picture of each organization than if I had just used interviews. In the first round of analysis I created numerous codes which I grouped in the next step. I looked at the similarities and differences between MRP and Stampen. Eventually, I drew on the theoretical concept of dualities to present the empirical stories. My work with the empirical material is depicted in Figure 7.

Figure 3 Work with empirical material

Secondary sources
In both case studies I used archival data in order to gain a rich description of the organizations studied and also to gain an understanding of their
development over time. Such material included annual reports, newspaper articles, radio interviews (with Peter Hjörne and Lennart Hörling) and also issues of the in-house magazine for MRP.

When I speak of secondary sources I refer to mainly written sources which are authored by others about key persons. With secondary I mean that I had no influence on the content of these sources (cf. Stewart & Kamins, 1993). This does not mean that these data sources are of inferior quality, they are just different from the data sources in whose preparation I was actively involved. In organizational identity research these sources are often labeled archival data (Ravasi & Canato, 2013). As mentioned elsewhere both companies have been in business for a long time. MRP was founded in 1946 and the second and third generation of owners is currently active in the company. Similarly, the third and fourth generation of the Hjörne family is currently active in Stampen. In order to understand development over time it was necessary to draw on archival information such as autobiographies.

In general, the issue with secondary sources is that the researcher has no direct influence on the data-collection as it has already been carried out (Stewart & Kamins, 1993). However, the researcher can still make use of previous sources and analyse or interpret these. In the appendix I have listed the secondary sources which I used in my research. The majority of them are auto/biographic books from key persons in MRP and Stampen. As a researcher I had no control or influence on the content or issues covered, therefore I view them as secondary sources. However, the material gave me inexpensive information about many key people and allowed me to understand the different contexts, such as the foundation process of RP. Of course, the authors of auto/biographies present their interpretation of history, which may deviate from other sources but they deliver impressions of events long gone. Moreover, the majority of key people were already dead, so other sources of data collection were not available. Through the use of these secondary sources I could still include these actors in the stories. With the help of the material listed in Appendix 3 I developed my stories about the organization, which can be found in the respective chapters. As part of this study I read all the secondary sources and made notes on parts that I thought were interesting or relevant to understanding the stories. Furthermore, I took note of potential quotes for inclusion in the appropriate stories. When reading the autobiographies of the key people I was looking for identity statements made in relation to their respective company. In order to illustrate the way these sources helped me clarify the stories, I give an example from MRP. Through my interviews I knew that the Arnold family was very prominently represented in MRP; Gottfried Arnold is the chairman of the supervisory board and publisher of RP. His son, Karl Hans Arnold, is managing director of MRP. I also knew that the Arnold family has the biggest ownership share in the company, even though the other families have only slightly lower shares. Based on this information I thought that the Arnold family was the most important owning family, particularly since
Karl Arnold of the late founders was also prime minister of North-Rhine Westphalia and co-founder of the Christian Democratic Party (CDU) in Düsseldorf. However, having read the autobiography of Anton Betz, I understood that Anton Betz was driving force behind the newspaper who did not want to re-establish a party newspaper as it was common in the Weimar Republic. This understanding was also confirmed by other sources and interviews.

**Media industry as context**

In this study I draw on two media companies, one from Sweden and one from Germany, and in this section I elaborate on media businesses as an empirical context. Numerous authors have argued that industrial context matters (e.g. Pettigrew, 1987), and in the organizational identity literature authors argue that the industrial context is important for constructing organizational identity (e.g. Clegg, Rhodes, & Kornberger, 2007).

The media industry is of special interest because it represents a context where family ownership is still common (Djankov, McLiesh, Nenova, & Shleifer, 2003). “Media industry” is a generic term. There are different types of media organizations. One traditional sub-category is newspaper organizations. Newspapers have long been the most dominant media organizations, and have a long history. Since the inception of the internet, newspaper organizations have faced challenges in adapting to the changing environment. Accordingly, many newspaper organizations have become multimedia organizations where the newspaper is no longer the dominant form. This changing environment is an interesting setting because it may force such organizations to question some of their assumptions about whom they are. In addition, newspaper organizations have existed long enough that they have become multi-generational family businesses. In their study of media ownership in 97 countries Djankov et al. (2003) found that the majority are owned either by the government or by private families. More recently, van Wezel (2009) found that entrepreneurship is a common feature of family owned media companies. The relevance of family business to the media industry has been shown in different studies (Gershon & Suri, 2004; Küng, 2007). Gomez-Mejia, Nunez-Nickel and Gutierrez (2001) studied a sample of Spanish newspaper companies which were typically family owned. However, they did not account for the implications of the newspaper industry.

Pätzold, Röper and Volpers (2003) have explained that many modern media houses started off as single product companies. This single product was in many cases the newspaper. The cases in my own dissertation also began as single product newspaper companies. A description of the cases can be found in the empirical section. Picard has described media outlets such as newspapers as having to respond to audiences (readers) and advertisers (Picard, 2005a). This requires such organizations to be responsive to two very different markets. Croteau and Hoynes (2004) describe the media business as facing a dilemma.
4 Methodology

On the one hand they are said to play a central role in democratic societies through free expression of opinion, and thereby serve a public interest which is, in some countries, legally codified. On the other hand they are mostly commercial enterprises which serve the (commercial) interests of their owners. This dilemma becomes very significant in the new media. In this regard, the dilemma is a type of duality (Achtenhagen & Melin, 2003). Looking at it from the business point of view, media firms can generate income either by selling their content to consumers or selling advertising space to business customers (this is a stark simplification but suffices for the purpose of illustration). In this dissertation ‘media’ generally means newspaper unless specified otherwise. Achtenhagen and Raviola argue that there is an inherent conflict between artistic and commercial orientations in media companies which must be balanced (2009). Achtenhagen and Raviola (2009) put forward the theory that dual demands are common but have been called differently. They argue that the commonality is that there are different, typically two-tier logics which are seen as counterintuitive or contradictory. According to Achtenhagen and Raviola (2009) a consequence of the duality of commercial and artistic logics of, for instance, newspapers is that they typically also have a dual organizational structure with an editor in chief that is formally in charge of the artistic product and a publisher who is product manager for the commercial side. According to Sigelman (1973) there are two very strong professional identities to this duality, although he does not label it a duality. Managing these two identities always includes the risk of losing overall identity. Introducing online or other new media outlets can particularly lead to conflict among journalists, and in the newsroom (Fagerling & Norbäck, 2005).

The media industry has been very dynamic and turbulent since the appearance of new arenas in form of the internet and new media (Küng, 2007). Since the appearance of free newspapers and online news sites one could assume that the future of the traditional business models are in question (Ors, 2012). On the consumer side newspaper companies sell newspapers or magazines to interested readers. On the advertising side they sell advertising space to mostly corporate customers. Both markets are under attack from other media, especially the internet. Harrie (2009) describes the Nordic media market as changing: there are new players on the market and the trend towards digitalization is ever increasing. Sundin (2009) maintains that there are trends towards horizontal integration, however many European media companies are still focused on either print or audio-visual media. Sundin also notes that private equity companies have recently entered the media market as owners, although family ownership is still dominant in the Nordic media companies such as Bonnier or Schibsted (2009). Moreover, even though the Nordic media companies are active in different countries the home market remains the most important for the majority. Sundin (2009) explains that most media companies prefer to stick to their original product. Successful media companies offer content that is relevant to the reader/consumer, and the latest trends show the
popularity of social media which is signified by a user’s ability to create content. In addition, the need for local connection is an old phenomenon in the newspaper industry as it is said that it is culturally bounded. Küng (2007) explains that change in content is part of industry logic and the industry has struggled with different business models to get along. Scholars have suggested that in turbulent times an organizational identity can be used to steer a company through troubled waters (Albert & Whetten, 1985; Bouchikhi & Kimberly, 2003), but this also implies a need to work with organizational identity, i.e. organizational identity construction, in order to manage dualities (Achtenhagen & Raviola, 2009).

4.6 On interpretation

According to Nordqvist et al. (2009) an interpretive researcher typically has a research question and a theoretical framework in mind when undertaking their research. In my case, I had two frames of interpretation in mind, e.g. organizational identity and family business. These were the key ingredients at the beginning of my dissertation project. At an early stage I narrowed my focus to the hybrid identity construct of which family businesses are said to be typical, but during my journey through the literature on organizational identity and hybrid identity I doubted the suitability of this concept. Not least, the article by Hatch and Yanow (2008) helped me to understand that the way Albert and Whetten (1985) defined the concept led to fragmented perceptions of an organization’s identity which made me turn towards organizational identity construction. To account for the peculiarities of family business I take a dualities perspective. I found dualities in the family business literature and they allow us to understand apparently contrasting findings with regards to the nature of family businesses (Casillas, Moreno, & Barbero, 2010). According to Nordqvist et al. (2009) certain openness is needed on behalf of the researcher to let oneself be inspired by the empirical material so that themes emerge. During my study there was a constant interplay between theory and empirical material. This was also due to the periods in which I conducted my empirical study and interpreted it by returning back to my theoretical framework which has also been revised several times. I present my research process in Figure 9 below.
4 Methodology

Revision of manuscript after feedback in seminars and from supervisors

As well as this macro view of interpretation I also want to underline its micro-aspects. As I have explained in previous chapters, interpretation takes place in several parts of the research process. Researchers enter the empirical field with a certain pre-understanding which influences them (me) during the data collection process. During interviews I made sense of responses I received during the interviews. The interviewees also made sense of me and my questioning. This mutual sense-making influenced the outcome of interviews. Another level of complexity are the different languages in which interviews were conducted (Wong & Poon, 2010), which added an extra level of interpretation. In addition, transcription is also an important, even central, level of analysis and interpretation (Bird, 2005; Tilley, 2003).

Figure 4 My research process
Table 3 Different levels of interpretation

<table>
<thead>
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<th>Different levels of interpretation</th>
<th>Influence on interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviews</td>
<td>Questions are altered/topics skipped as interview unfolds</td>
</tr>
<tr>
<td>Transcription</td>
<td>Interpretation takes place during transcription</td>
</tr>
<tr>
<td>Coding</td>
<td>Codes are formed as a concrete unit for interpretation</td>
</tr>
<tr>
<td>Translation</td>
<td>Translated transcripts bring interpretation closer to theory</td>
</tr>
</tbody>
</table>

Table 3 illustrates the micro processes of interpretation. I consulted colleagues about how to translate and interpret certain words or sentences which I could not grasp myself. In order to illustrate the way I worked, I will here describe one code, e.g. that of being a family business. I asked the interviewees if they saw the organization (MRP or Stampen) as a family business and if so why? Most interviewees agreed and typically related their answer to ownership. Those who did not agree had certain reservations, because they said that there were several owning families in both MRP and Stampen. Some interviewees were cautious in saying that only certain parts were a family business due to the direct contact of owners with the organization, for example the newspapers RP and GP. However, many, in particular the owners, were eager to emphasize that they were not only a family business but also a professional business, as publicly listed companies. They thus emphasized the dual nature of being a family business. Interestingly, the emphasis on being both a professional business and a family business arose in both organizations without my introducing the idea.

4.7 Summary and outlook

In this chapter I have described my methodological assumptions and also discussed my choices of methods and organizations studied. I furthermore elaborated on secondary sources and finally introduced and discussed the media industry as the empirical context for this study. The media industry is often seen as equivalent to newspaper organizations, and this is the case in my dissertation. I consider this important for understanding some of the issues addressed in the empirical study.

Since the purpose of my study is to understand organizational identity construction I not only conducted interviews with different organizational members but complemented my study with secondary sources such as auto/biographies, reports and other secondary material. In previous chapters I argued that it is not the current organizational identity that is most important but rather how this is constructed. Both organizations have an organizational
identity as a “family business”. In the following chapters two organizations, the Mediengruppe Rheinische Post (MRP) and Stampen are presented. My reasons for choosing these cases have been described in this chapter. Each organization is introduced more generally. What becomes apparent is that both media companies are actually media groups with different media outlets. However, both originated from a single newspaper, i.e. Rheinische Post (RP) in the German case, and Göteborgs Posten (GP) in the Swedish case. The empirical chapters are structured to illustrate how these organizations construct their identity according to a dualities perspective.
5. MRP

The MRP group (Mediengruppe Rheinische Post/mediagroup Rheinische Post) is active in four countries, Germany, the Czech Republic, Poland and the Netherlands. The turnover in 2007 was €438 millions of which 2/3 was generated in Germany and 1/3 abroad. In 2009 the turnover was €454 millions. The number of employees was approximately 3700 of which 1800 work in Germany the rest abroad. In a declining market environment MRP has acquired several smaller and bigger units. In 2011, the turnover was approximately €500 millions with 4700 employees.

The owners of the holding company Rheinisch-Bergische Druckerei- und Verlagsgesellschaft (RBVG) are the families Arnold, Betz, Wenderoth and Droste. Their current ownership shares are as follows:

Table 4 Owners RBVG (MRP)

<table>
<thead>
<tr>
<th>Owners</th>
<th>Stake (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arnold family</td>
<td>27.8</td>
</tr>
<tr>
<td>Betz family</td>
<td>23.3</td>
</tr>
<tr>
<td>Wenderoth family</td>
<td>23.1</td>
</tr>
<tr>
<td>Droste family</td>
<td>20.8</td>
</tr>
<tr>
<td>W. Girardet</td>
<td>4</td>
</tr>
</tbody>
</table>

The remaining part is owned by W. Girardet a competing publishing house with interlocking shareholdings. RP has a share of 6.7% in W. Giradet. MRP and Girardet are both competing and collaborating in several markets.

MRP is organized in business segments. In total there are nine business segments, divided into domestic (German) and international. The holding company has three managing directors who have responsibility for the business segments. One managing director has the chair position, Clemens Bauer; one is the deputy chairperson and designated new chairperson, Dr Karl-Hans Arnold; and Patrick Ludwig is the third managing director. Karl-Hans Arnold is also owner and grandson of co-founder Karl Arnold and son of Gottfried Arnold.

Table 5 below illustrates the existing business fields.

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2http://www.kek-online.de/db/index.php?c=3552&mt=1,2,3&s=&f=0 and Pätzold et al. (2003)
5 MRP

Table 5 Business fields in MRP

<table>
<thead>
<tr>
<th>Domestic business fields</th>
<th>Newspapers</th>
<th>Online</th>
<th>Advertising papers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Radio and TV</td>
<td>Shopping-centre and real estate</td>
<td>Central services</td>
</tr>
<tr>
<td>International business fields</td>
<td>Czech republic</td>
<td>Poland</td>
<td>Netherlands</td>
</tr>
</tbody>
</table>

A further discussion of the business activities of MRP can be found in the appendix.

5.1 Origins of MRP: foundation of RP and the license era

In order to gain an understanding of the historical context of the newspaper RP which is the origin of today’s media group RP (MRP) I present in the following story of its foundation.

What is today MRP started as Rheinische Post (RP) in Düsseldorf after the Second World War. Being founded as a licensed newspaper under the British occupation forces it became the strongest daily, regional newspaper in Düsseldorf. According to Betz (1963) the license was issued February 26th, 1946 and the first issue was delivered March 2nd, 1946. Before RP and its sister licensed newspapers were issued, plans existed for a joint newspaper for Düsseldorf and the Rhineland. There was also discussion about having Gruppenzeitungen (Group-newspapers). Hüffer (1995) maintains that the American and British authorities followed a libertarian theory of the press when they planned the media landscape in their occupation zones. Hallin and Mancini explain that Parteirichtungszeitungen (Party-oriented newspapers) became important in the British occupation zone. The RP and its sister licensed newspapers were politically-oriented newspapers. Hüffer (1995) argues that the British and American authorities were interested in the newspaper having a “watchdog” position towards the state which was in line with libertarian theory. In order for this to happen a certain financial autonomy was deemed necessary. However it is also important to note that the British and American authorities were oriented towards private ownership of the press and private persons as holders of licenses. This was in stark contrast to the Soviet press policy that gave licenses only to political parties and mass organizations (Hüffer, 1995). Undoubtedly, there was the idea that newspapers should re-educate Germans in terms of a democratic and pluralistic society. Accordingly there was interest from the political parties in a closer link between the newspapers and their own parties.
In Düsseldorf, the predecessor of the Rheinische Post (RP) was the “Neue Rheinische Zeitung” (NRZ). The NRZ was published twice a week by the British authorities, with 600,000 copies (Betz, 1973). Anton Betz was appointed as publishing director for the NRZ in July 1945. The directions, according to Betz, were to strictly separate news and opinion. The front page was reserved for news. It was one of the four overt newspapers for North Rhine Westphalia and was founded on July 18\textsuperscript{th} 1945 (Hüffer, 1995). According to Betz (1963) the NRZ was planned as a newspaper with a broader focus, and not limited by the need to include local news coverage. It was to focus on political and cultural reconstruction. The idea, coming from Germans, was not supported by the British authorities (Betz, 1986). Instead, politically-oriented newspapers were supported, which some argue was a consequence of the elections in Great Britain which led to a change in the government there and affected the occupation policy (Hüffer, 1995). The NRZ was replaced by the three licensed newspapers the Rheinische Post, Rhein-Echo, and Freiheit.

Three license-newspapers for Düsseldorf

When the allied forces started planning press publications in their zones there was great interest from political parties which had only recently been founded in having a say in the editorial policy. Hüffer (1995) named the Gruppenzeitungen (Group-newspapers) as the third variant of publishing newspapers which was the predominant American approach along with licenses for parties and organizations (Soviet approach), individuals (British approach). Accordingly, licenses were given to groups or associations of individuals representing different political orientations. The first licensed Gruppenzeitung was the “Frankfurter Rundschau” which started on the 1\textsuperscript{st} of August 1945 in the American zone (Hallin & Mancini, 2004). These Gruppenzeitungen were issued in different parts of the occupation zones. According to Hüffer (1995) the districts for the intended newspapers correlated with the structure of the Heimatzeitungen (Local newspapers) during the Weimar Republic, including the involvement of publishers who had been active before and during the Nazi period. Representation of different political parties was part of the overall concept. According to Hüffer (1995) this led to the ever increasing interest of political parties in influencing these newspapers, both during and after the license press in Germany. The Gruppenzeitung for Düsseldorf was prepared by a group of people of different origins. The group consisted of Anton Betz, Karl Arnold, and von Gumpenber an all representing or associated with the CDU\textsuperscript{3}, Georg Glock (SPD\textsuperscript{4}), Dr. Linz, an evangelic pastor, Dr Friedrich Vogel, liberal and Peter Waterkorte, KPD\textsuperscript{5} (Betz, 1963). However, the Gruppenzeitung NRZ appeared only for a short time until the idea of having more party-oriented newspapers gained momentum. Hüffer (1995) explains that this group can be

\textsuperscript{3} CDU: Christian Democratic Party
\textsuperscript{4} SPD: Social Democratic Party
\textsuperscript{5} KPD: Communist Party
considered rather unusual as it did not include publishers from the Nazi period. Anton Betz had worked as a publisher in the Weimar Republic but was fired (after pressure from the Nazi regime) and was not allowed to be active under Nazi rule, and was therefore considered to be politically clear as well as associated with the CDU. According to Anton Betz (1973) the negotiations for issuing the newspaper began in the autumn 1945.

There was general interest from the political parties in having newspapers with a clear political orientation in order to attract readers. The British occupation forces responsible for licensing the newspapers came to the conclusion that such newspapers might be more viable than ‘Gruppenzeitungen’ where different and sometimes opposing interest groups had a say (Hüffer, 1995). At the end of 1945 the idea of having more politically-oriented newspapers was accepted by the British authorities. Anton Betz was commissioned to publish a Christian-democratic newspaper, and Dietrich Oppenberg (SPD) and Max Dahlhaus formed groups for a license to publish newspapers representing their respective parties (Betz, 1963). When the licenses were finally given to different groups, the group of publishers who had been active during the Nazi period was excluded. This was a surprise as there had been signs of including them in the process of rebuilding and revalidating the press in post war Germany (Hüffer, 1995). They were excluded from publishing newspapers until the end of the licensing system for the press in 1949, however it was often pre-war publishers who had printing factories and paper, which had been confiscated, and this led to a certain resistance as some were forced to work as subcontractors and others for the new publishers who did not have qualifications other than being politically “clean” and a license from the authorities.

The licensee group of the Rheinische Post in their application on October 26, 1945, consisted of Dr Anton Betz, Karl Arnold, Max Hildebrand Freiherr von Gumppenerg, Dr Erich Wenderoth and Dr Friedrich Vogel. However, the British authorities were sceptical towards von Gumppenberg as he was also a civil servant in the press office and they considered this a potential conflict of interest in the idea of an independent press (Betz, 1986). He was therefore removed from the application.

The new newspapers were from the beginning exposed to pressure from the political parties with which they were connected (Hüffer, 1995). This can partly be explained because the circulation of the newspapers was allocated based on the election results of the designated parties represented by the newspapers. In the case of the Rheinische Post, the CDU tried to gain influence. Betz (1986) quotes from a letter to Anton Betz, who was the publisher of the NRZ and designated publisher of the RP “We attach great importance to the fact that the editorship will be transferred to a gentleman whom we know exactly according to attitude and performance, and with whom we harmonize and are in most active connection...” (Betz, 1986, p. 231). Anton Betz responded on October 23, 1945: “In order to avoid errors from the beginning, I wish to inform you
that the Rheinische Post is not intended to be a distinct party newspaper, that it is rather an independent newspaper and that it must be written in the sense of Christian-democratic principles.” (Betz, 1986, p. 231). According to Betz (1986), Anton Betz emphasized the importance of independence from the political parties in his talks with the British authorities. There were, furthermore, clear conditions regulated by the British authorities for the license: “This license is granted under the following conditions, that no person who is not registered in this application for this business entity as financially interested, receive any share of the benefits of the business entity, further, that no financial stake in the business entity is retained from a person who is mentioned in the application without the express permission of the military government.” (Hüffer, 1995, p. 87)

It is noteworthy that the newspaper is considered to be a business venture. Thus, Hüffer (1995) describes the publisher as economically ‘independent and political’ but not bound to a party. This independance led to conflicts with the political parties as described above. It illustrates a duality which is typical for many media organizations, e.g. being an independent organization which follows a certain political orientation.

Anton Betz believed that the newspaper should be independent from the political parties which was in line with his pre-war experience (Betz, 1973). He went on to explain that he purposefully gave the RP a more local focus because there was a lack of good editors from outside Düsseldorf (p. 194), however, as time went by capable editorial and commercial people returned from the war and could be added to the staff of RP which allowed the focus to be broadened to the region of Rhineland. Another problem for the new press was a lack of resources, specifically paper. The occupation forces allocated confiscated paper and printing facilities based on licenses, which were given to different political orientations. Accordingly the occupation authorities also planned the circulation for each region or district, which caused more conflicts between the German license owners and the British occupation authorities (Betz, 1963). In Düsseldorf they planned three licensed papers with equal circulation where each paper represented a separate political orientation. This caused resistance as the relatively greater influence of the SPD and KPD oriented newspapers did not represent the actual population. Dr. Betz, as designated main licensee was also concerned that the religious orientation of the newspaper did not match the political orientation of the newspaper (Betz, 1963). The three newspapers had equal circulation and according to Anton Betz only the CDU-oriented Rheinische Post appealed to the mainly Catholic population of the Rhineland (Betz, 1963). The confirmed circulation plan was the result of negotiations between the licensees of the three newspapers and the British authorities. In the appendix is a chart showing the growth of the circulation which indicates the positive growth of the RP in comparison to its sister newspapers. A table about the planned circulation and its actual development can be found in Appendix 2.
The “Rhein-Echo” was considered to be SPD-oriented, and the “Freiheit” KPD-oriented. When the plans of the British authorities became known to parties they were interested in establish their influence over them. According to Hüffer (1995) the parties were interested in installing party members in key positions. In the case of the “Rhein-Echo” the licensee was Dietrich Oppenberg, however the publishing manager was Ernst Gnoß and the editor in chief was Alfred Dobbert. In opposition to Oppenberg, Gnoß and Dobbert had been active SPD members during the Weimar times who were prosecuted by the Nazi regime. According to Hüffer (1995) Gnoß and Dobbert wanted to establish a party newspaper whereas Oppenberg was more interested in publishing a newspaper that didn’t exclusively target party clientele but a broader public. This led to conflicts, even though Gnoß and Dobbert were not licensees. Oppenberg therefore left the Rhein-Echo in August 1946 to join another newspaper in Essen. Oppenberg was also an SPD member but was not directly involved in, and limited by, a party function. Gnoß was elected member of the newly constituted parliament of North-Rhine Westphalia and also one of its vice presidents. Dobbert was also elected to the parliament of North-Rhine Westphalia and was city councillor of Wuppertal for the SPD. Oppenberg had gained newspaper industry experience during the Nazi period and even though he was a social democrat by heart, he rejected the idea of a party press as it had been practiced during the Weimar Republic. He foresaw the future press as being politically independent. Moreover, after the Second World War the SPD program proclaimed democratic socialism with a community orientation, which was in conflict with the idea of having a private, profit-oriented licensed press as organized by the British authorities (Hüffer, 1995). Betz (1963) explains that British press policy stated that a newspaper could not be named as an official party organ, however a general indication of orientation was allowed. Moreover, it was forbidden to distribute profits to third parties, including political parties. The Rhein-Echo chose the subtitle “Volkszeitung am Niederrhein” (People's Daily on the Lower Rhine), the Freiheit “Das Blatt des schaffenden Volkes” (The gazette of the working people) whereas the Rheinische Post had its subtitle “Zeitung für christliche Kultur und Politik” (newspaper for Christian culture and politics). In the German language the subtitles indicate a political orientation.

The three newspapers were printed in the printing facilities of the Droste KG. They had been confiscated by the British authorities and Anton Betz was the commissioner. In February 1946 the Droste KG was returned to its owners, however, the authorities contracted with the Droste KG for printing newspapers and renting office space for the editorial staff (Betz, 1963).

In the first editorial of the Rheinishe Post it was written:

“The Rheinishe Post” has acquired the right and duty to cultivate a Christian-democratic direction in her columns. It will differ from other newspapers and lean towards that party, with the implementation of Christian-democratic principles as a goal. The Rheinishe Post is not a political
newspaper in the earlier sense of the word, it is an independent company and will serve the public based on the skills and experience of its editors and its staff ... The Rheinische Post also intends to unite all constructive forces seeking to profess Christianity and democracy ... The more we care for the truly Christian, we can overcome the remains of the spiritual plague of National Socialism ... the newspaper can create neither bread nor houses, but it can help bring about the willingness which is essential for each reconstruction.” (Betz, 1963, p. 84).

In the Rhein-Echo, then mayor of Düsseldorf, Walter Kolb, wrote:

“The task and responsibility of our new press is great, greater than it has ever been at other times, as the confusion of spirits and the perplexity of many people was never greater than today. The educational task that is made by the press is almost unlimited. The ideals Rhein-Echo commits to realising are democracy and socialism.” (Betz, 1963, pp. 84-86).

Betz (1963) also mentions that in the first issue of ‘Rhein-Echo’ Kurt Schumacher, the chairman of the SPD, reasoned for the existence and raison d’être of the social-democratic party which, according to Betz, illustrated a much clearer political orientation than the ‘Rheinische Post’.

In the ‘Freiheit’ the editorial states:

“Today, nearly ten months after the end of the war, thanks to the kindness of the British occupation authorities, we start to publish the old love ‘Freiheit’ in its 29th year. West Germany again makes use of the press and freedom of expression ... The brazen legacy of all the brave heroes of the anti-fascist struggle lies in the hands of the new ‘Freiheit’. Neither the ‘Freiheit’ nor its employees have ever surrendered, despite the toughest penalties in front of the enemy or the difficulties. Also the 74 years and 8 months total time in prison and concentration camps that have been served under Hitler’s camps testify to this... The ‘Freiheit’ wants and will gain the consent and trust of the entire creative population [...] all across town and country.” (Betz, 1963, p. 82).

Betz also quotes a foreword by the Communist Party published in the first issue:

“The ‘Freiheit’ strengthens the bond between Social Democrats and Communists. It is standard-bearer of the working unit and thus unites all the democratic people's forces. The ‘Freiheit’ is the resolute champion of German unity and stands for the social and national resurgence of our nation.” (Betz, 1963, p. 82).

According to Betz, the ‘Freiheit’ developed more and more into an organ for the Communist Party about which the British authorities objected. Moreover, as the circulation was set equally for the three papers, the ‘Rheinische Post’ as well as the ‘Rhein-Echo’ could not satisfy demand whereas the ‘Freiheit’ had difficulties in finding enough readers. The system of circulation caused further problems, as the British authorities planned to adjust circulation according to the party results in the elections. Betz maintains that these adjustments favoured the ‘Rhein-Echo’ and ‘Freiheit’ as they were more
party-oriented. Furthermore, not all readers of the ‘Rheinsche Post’ would vote CDU as there were other parties such as ‘Zentrum’ who competed for voters with a Christian/Catholic orientation. The circulation was adjusted several times, always with the ‘Rheinische Post’ as the dominant newspaper. The newspapers soon initiated regional issues. This was remarkable as the edition was limited to three to four pages. In addition, the plan was that the Rheinische Post was to be issued on Wednesdays and Saturdays, the ‘Freiheit’ on Tuesdays and Fridays and the ‘Rhein-Echo’ on Wednesdays and Saturdays. According to Betz each newspaper had space for ½ page advertisements at maximum. However, ‘Rheinische Post’ and ‘Rhein-Echo’ were so overwhelmed with advertisements that they had to decline new ones. Due to the demand there were no categories and most advertisements were family advertisements. Commercial advertisements could only be published with permission from the British authorities, although occasionally special inserts could be published. Betz states that the ‘Rhein-Echo’ moved to three issues per week in 1947 (as it was published in the ‘Berliner format’) whereas the other two had to stick to two weekly issues due to its ‘rheinische format’. In April 1946 the ‘Rheinische Post’ was the first to be freed from pre-publication censorship by the British authorities. The other two followed a couple of weeks later.

From 1948 the British authorities delegated press control to the prime ministers in the federal states, which caused some irritation but was never openly discussed as Karl Arnold, the Prime Minister of North-Rhine Westphalia was one of the licensees of the Rheinsche Post (Hüffer, 1995). Due to political turmoil in the regional government, which led to the dismissal of two Communist ministers and a speculative story about it in the ‘Freiheit’, the British authorities suspended the ‘Freiheit’ for three months. Due to continued agitation the British military government suspended the license for the ‘Freiheit’ (Betz, 1963), however, a new license for a communist paper was approved by Prime Minister Karl Arnold.

Figure 5 The way to a license for RP

6 Zentrum: center, a Catholic party
Figure 5 above illustrates RP’s way to a license. To illustrate the difficulties of the time I quote Karl Arnold from the first issue of RP “… and the newspaper is in every respect a reflection of the hour, an image of austerity and the humble beginning … but above all a never fickle herald of faith and hope.” (van Kempen, 1986).

Relationship with the CDU
Anton Betz (1973) described the end of the licensing era the second birth of RP. He reported discussions of old versus new publishers in relation to the license period and considered himself to be both. He claims that he had a recipe in mind for the new newspapers: “If ever again, then a newspaper with a line and principles, not a Party newspaper, for information and opinion widely opened, circulation through performance!” (Betz, 1973, p. 215). But Betz also saw difficulties arising from this new era of newspapers. As a founding member of the CDU in Düsseldorf he agreed with the political ideas and the RP also supported these ideas. He claimed that he had made several efforts to establish independence from the CDU among the staff. Betz quotes several letters from CDU members who complained about the RP “Your newspaper is a colourless Generalanzeiger [=gazette, e.g. a “lower” form of newspaper]... In the former party press, I could publish party articles almost weekly. Until now you have rejected all my letters as too long ... We must strive by all means, to get back our own party newspaper.” (Betz, 1973, p. 216). Betz quotes another letter “With indignation, I note that in the Rheinische Post, which was to serve only the CDU, I find long reports on Social Democratic and Communist events.” (Betz, 1973, p. 216). Betz explained that especially in the beginning there were many protests from CDU members. In the local section the RP reported from CDU events and many local party members wanted influence over the content. According to Betz this only changed slowly after the newspapers of the Social Democrats and Communists, who followed a more direct party line, disappeared due to lack of economic success.

The RP was given a license as representing the CDU. Anton Betz reports that Konrad Adenauer, the dominant politician of the CDU and later chancellor of West Germany, was not pleased that he had no influence over the licensing from the British authorities. Adenauer was eager to increase his and the party’s influence over newspapers (Betz, 1973). However, according to Betz, Adenauer did not have a very positive attitude towards the press in general and the CDU oriented press in particular. Betz explains that Adenauer never mentioned the RP when speaking in Düsseldorf but referred to the ‘good’ newspapers, which were the Frankfurter Allgemeine Zeitung, Neue Zürcher Zeitung and Stuttgarter Zeitung (Betz, 1973, p. 210). Anton Betz quotes a conversation with Adenauer where he said “Although the RP shares your conviction and although it freely confesses with its subtitle, ‘Newspapers for Christian Culture and Politics’, the RP has worked for the largest display of advertisements in the German newspapers, much in contrast to the past, when
party newspapers in their advertising power usually marched at the end.” (Betz, 1973, p. 211). Anton Betz also explained that a newspaper is separate from the party. Betz also quotes a letter of Adenauer to him from July 1965 “I would be very grateful to you if you could, in memory of the principles according to which the RP was founded after the war, do everything in your power to give the policy of our party in your newspaper more resonance than this one case, which I quote as an example, shows.” (Betz, 1973, p. 219).

Anton Betz’ response to Adenauer was the following “We claim for the Rheinische Post at least the freedom of expression, which every member of the CDU parliamentary group can claim. How different the opinions of the CDU federal government and the CDU parliamentary group were and are, you know best. In addition, we restrict ourselves not to the publication of decisions of the party’s executive committee ... we want to take part in the decision-making.” (Betz, 1973, pp. 219-220).

At a reception for the 20th anniversary of RP Betz said “The Rheinische Post will be at first newspaper, trying every day to teach in messages, reports, disclose the links and editorials to comment on ... But we do not only report, we are a publicist in the making of the decision. It seems important to us that the citizen makes his voice heard on election day, catching votes is left to the propaganda of the parties ... We see in the CDU, a warranty to provide for the preservation and strengthening of the Christian and democratic order as established in the constitutional law, we appreciate, if we can report positively on the CDU. This includes clear criticism ... It is quite understandable that parties deal with newspapers ... it just depends on how one meet another ... if one recognizes the other or whether one wants to take the other under your command. We grew up as an opinion paper, as a party newspaper, otherwise we would have long since perished.” (Betz, 1973, p. 219).

5.2 Portraying the founders

In the previous section I briefly introduced MRP as well as the circumstances which led to the foundation of RP, the origin of MRP. In this section, I present the founders of RP. The presentation is limited to the founders whose families still own the business today. A general problem after the Second World War was that there were few people who had not collaborated with the Nazis to some degree. Those who were against the Nazis were often dead, or had left the country. As the intention of the British occupation forces was to re-educate the Germans they had difficulties finding people with a ‘clean’ political history (Hüffer, 1995). This also lead to problems finding people who had the necessary qualifications to run a newspaper (Betz, 1986). Anton Betz was such a person.
Anton Betz was born on February 23, 1893 in St. Ingbert and died on December 11, 1984 in Düsseldorf. He had a wife and three daughters. In his autobiography he describes himself as coming from a poor working class and Catholic background (Betz, 1973). His father worked in a steel factory and was a strong supporter of the Zentrum party. He says that as a student in the secondary school (Gymnasium) he was already fascinated by newspapers, and read several when he could afford it. He fought in WW1. Before he was called to the army he enrolled at university in Würzburg in the Faculty of Law and Political Sciences. This was exceptional for a person of his background. In 1920, after returning from the war, he continued his studies in Freiburg and finished those in 1924 in Bonn, where he got his PhD. The topic of his dissertation was “The History of Ideas in the Zentrum Party”. Before joining the army he had already worked occasionally as a freelance writer for a newspaper. During his studies he managed to write for the “Saarbrücker Landeszeitung”, first as a freelancer and later, after finishing his studies, as an editor for the newspaper. He claims that he was already critical of the political orientation of the newspaper, which in his view was not appropriate. In his autobiography he calls the newspaper a party newspaper for the Zentrum party. Even though the newspaper was privately owned it considered itself an “organ for the Zentrum party”. According to Betz the newspaper’s coverage which focused strongly on the Zentrum led to a decrease in information. He explained that coverage of the debates in the “Reichstag” would almost exclusively report the speeches of Zentrum politicians, whereas others would either not be reported or so minimally that they were unrecognizable. According to Betz, this was the reason why readers chose the competing and leading newspaper “Saarbrücker Zeitung”. The editorial articles were often written by party members or members of the party-associated union. Members of the Catholic Church also had an important voice and made sure that the newspaper followed a Catholic orientation. After his dismissal Betz wrote an article where he criticised the political and religious orientation of the newspaper as not appealing to the readers. He further criticized the lack of an effective distribution system. In 1923, he left the “Saarbrücker Landeszeitung” and became editor in chief for the “Saar-Zeitung” in Saarlouis. The Saar region was occupied by French troops after World War One and Anton Betz changed the orientation of the “Saar-Zeitung” to pro-German. He also introduced a modern printing system. In 1925 he was appointed managing director of a publishing house. In 1929 this publishing house was acquired by the Manz AG, a Catholic publishing house. In 1929, a competitor, Knorr & Hirth, offered him a position as managing director and member of the advisory board. He accepted and was then managing director of a big publishing house with 1400 employees. The company published the newspaper “Münchner Neuesten Nachrichten”, a liberal newspaper. According to Betz, the newspaper was explicitly against Hitler. In 1932, the newspaper suffered more and more from internal and external
threats. Sales declined and people called the newspaper Jewish. There were also different opinions in the advisory board. Some were in favour, others against Hitler. Their attempt to establish editorial guidelines failed. The newspaper was later oriented towards conservatism and Catholicism. The advisory board was dominated by men from the Ruhr region who were industrialists, but had no understanding of the newspaper industry. Members of the advisory board wanted the newspaper to have a more favorable position towards Hitler, who became Reichskanzler (Chancellor) in 1933. The editor in chief, Büchner, was arrested in 1933. He was one of the opponents of the Nazi regime and Betz supported him in this standpoint. Haniel, a member of the advisory board and industrial baron, supported collaboration with the Nazi regime. At a meeting with a Munich Nazi leader he assured him there would be collaboration with the regime, and the next day Anton Betz was arrested. While imprisoned he was also fired as managing director. After he was released from prison he was unemployed and moved with his family to the Saar region. In his autobiography Betz also claims that in his years in Munich he learned that party newspapers did not work, and decided that when Germany returned to a democratic society this kind of newspaper would not survive. In 1936 he got a job as advertising salesperson for a newspaper in Rhineland and Westphalia. His salary was much lower than before, but due to his good contacts with his former colleagues on the advisory board he was able to get advertisements from the big industrial companies. In 1938, he and his family relocated to Düsseldorf. At the beginning of the War he was drafted to the army but was stationed close to his home. Later he was transferred to the “Vereinigten Stahlwerke” (a steel company) where he worked in administration. Betz was very critical of the industrialists’ behavior during the Nazi period. In his autobiography he quotes a speech of his in 1958: “It was clear that the industry could not stop March 1933, but they did not even attempt to use their great personal and material relationships for us. The capital very soon laid off responsible persons, because standing to a foreign political opinion with personal endurance had been a troublesome matter.” (Betz, 1973, p. 176). Betz describes his disappointment because the powerful industrialists did not attempt to influence Hitler and his followers to help members of the editorial staff. In 1944 he was send to the western front and was arrested by American troops. American and later British troops interviewed him and he was politically cleared as a non-collaborator with the Nazi regime. The British authorities made him the publisher and managing director of the “Neue Rheinische Zeitung” (NRZ) newspaper and he later became licensee of the “Rheinische Zeitung”.

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7 In the final period of the Weimar Republic, with the increasing success of the National Socialist propaganda, being considered Jewish was seen negative. Many organizations fell for the propaganda and fired their Jewish staff.

8 In March 1933 the German parliament adopted Hitler’s enabling act which enabled him to implement laws without parliamenal approval.
Karl Arnold

He was born to a poor farmer on March 21st, 1901 in Herrlishöfen, one of four siblings. After attending school he became a shoemaker. In 1920, according to Hüwel (2008) Arnold turned to Matthias Erzberger, who visited the neighborhood, to help him enroll at “Soziale Hochschule Kochel”. This secondary school was run by an organization for Catholic employees. In 1921, Arnold relocated to Düsseldorf and worked in the administration of a Christian union. He was promoted within the union to local secretary. He was active in the Zentrum-party where he was also successful and became elected to the city council and a member of the executive board of the Zentrum party in the Düsseldorf city council. When the Nazis took over he had to leave all his posts and worked as an administrator, sales person and finally became partner in a heating and installation company. According to Hüwel (2008) he was active in some secret circles against the Nazi system. After the war he worked to re-establish the Christian labor union movement, and worked actively to establish a Christian party and to support democracy. Together with Anton Betz and others, Arnold called for the foundation of a Christian People’s Party (CVP) in Düsseldorf. According to Hüwel (2008) this was done in competition with others who had tried to re-establish the Zentrum party which dissolved itself in 1933. In November 1945 the party was founded under the name Christian-Democratic Party (CDP) and Arnold was elected as its first chairman. It is said that during that time Arnold coined the term ‘Christian Socialism’ (Christlicher–Sozialismus). It is said that Arnold also encouraged Konrad Adenauer to join the CDP. Adenauer, mayor of Cologne before the war, famous Zentrum politician and later the first chancellor of West Germany, disagreed with ideas concerning a Christian socialism however, even though he joined the CDP. In December 1945 the CDU was founded with Arnold as one of its founding fathers. Adenauer became the first chairman of the CDU. Arnold himself was appointed mayor of Düsseldorf in 1946 by the British authorities. This appointment was supported when he also was elected mayor of Düsseldorf by the city council after the first free elections, where his party gained 47% of the votes with him heading the party. According to Hüwel (2008), as first Prime Minister of North-Rhine Westphalia Arnold was very eager to lead a coalition of all parties elected to the parliament in the government. Adenauer disliked this approach as he was already trying to form a bourgeois coalition with the liberals to support his national ambitions. Arnold had several disagreements with Adenauer. Arnold had different opinions about the unity of Germany, economic policy and other things. He was, for instance, willing to form a
coalition with the SPD against Adenauer’s will, as he had formed a bourgeois coalition at the national level.

Arnold was also a strong supporter of equality between employees and employers. He supported the German Confederation of Trade Unions (DGB) in their call for equal representation on company boards. He emphasized the importance of equal representation and claimed the federal state should take on the role of social conscience for West Germany. In 1956 the parliament of North-Rhine Westphalia rejected Arnold as a prime minister in a vote of no confidence. According to Hüwel (2008) there are indications that issues at the national West German level played a role in this rejection. Arnold anonymously published articles in the RP where he took a stance against Adenauer. He fought to be re-elected in the upcoming 1958 elections but shortly before the election he suffered a heart-attack and died. The CDU, for whom he was the main candidate, did not replace him, and won a majority of votes without him.

Erich Wenderoth

Erich Wenderoth was born on October 1st, 1896 in Altenkirchen (Westerwald), the only child of his parents, and died on September 2nd, 1993, 96 years old. His father, one of 12 sons of a farmer from Kurhessen, was a middle level civil servant in a Prussian local government authority. His mother was the oldest of four children. The Wenderoth family were Protestants. During Erich’s youth the family moved from the small town of Altenkirchen to Aachen. He graduated from secondary school with a ‘Notabitur’ (emergency diploma for university entrance) in 1914 due to the beginning of World War 1. In 1915 he studied law in Cologne and was drafted to the army. After being wounded he was relocated to Cologne where he continued his law studies in 1916 while recovering and working in the administration of the military hospital. After finishing his studies and taking the required state exams he worked as a private law tutor and became a civil servant as an attorney in Düsseldorf. Later, he opened his own law firm. In 1937 he married Käte Meyer, the daughter of a priest from the Auferstehungskirche (Church of Resurrection). In July 1948 their daughter Irene was born. Erich Wenderoth was declared innocent of Nazi involvement and approved as lawyer by the British authorities. He was also nominated by the British authorities as trustee for the fortune of the NSDAP in Düsseldorf, including some other Nazi-organizations and fortunes of leading representatives of the party. He was also a co-founder of the CDU in Düsseldorf. As well as being active as a lawyer, he was active as co-publisher of RP. Most importantly, he was not a Catholic but a Protestant which showed the new direction of RP as not specifically a Catholic newspaper but a newspaper open for all (Christian) denominations. His granddaughter Lisa Alt tells an anecdote she witnessed during an internship in a local editorial:

“We were in the editorial meeting which concerned an English article heading entitled “Summer in the City” and then, I quote, some of the older editors said “I keep hearing the old gentleman Wenderoth when I read this ...
“the” I read “the” what should this “the” then mean? (Everyone laughs) and I sat there and thought, “yes, that’s right, Grandpa would not have liked that.”

Droste

As mentioned earlier, the RP had been printed by the Droste printing factory since its foundation. The RP editorial used offices in Droste’s facilities, which made RP the biggest customer of the Droste publishing house. Anton Betz officially administrated the Droste Verlag after the war as it had been confiscated by the British authorities. Heinrich Droste, the founder of the Droste Verlag was de-Nazified in 1948. On its website the publishing house has the following information:

“Heinrich Droste was also an entrepreneur. He had to save the publishing company and ensure its employees’ jobs. It was an act that required balance. It was easier to keep a book publisher free from the evil spirit of the time than newspapers. The publishing house, with the substantial influence of Hulda Pankok as editor, therefore almost only published the work of foreign authors. It went against the nationalist spirit. Among the 13 works of fiction, which appeared from 1933 to 1945, only one volume of poetry was by a German author. Together with his sister, Heinrich was also able to employ Jews abroad, mostly with translation tasks. The Japanese “Masako” book was translated by Gustav Kauders who then fled to Switzerland.”

From 1919 he was the owner of a number of newspapers. In 1933, he was forced to sell the “Düsseldorfer Stadtanzeiger” to a Nazi publisher. Heinrich Droste was a member of the liberal “Deutsche Volkspartei” before 1933. He later joined the NSDAP but claimed to always have had liberal thoughts and also hired former employees from the forbidden Communist and Social-Democratic parties. His son Manfred Droste merged the Droste Verlag with the RP in 1970. However, in 2002 the Droste family bought the Droste Buchverlag back from RP and continued the activities of the book publishing house. They retained their share of the RP. The Droste publishing house concentrates on books and stories with a regional or local focus. They also work with non-fiction books that deal with contemporary history. The success of the publishing house can be traced back to a novel published in 1933. The book is called “Die Feuerzangenbowle” and was written by Heinrich Spoerl. The book and in particular its movie from 1944 are still popular today.

Some remarks on the founders

In the brief biographies of the founders it should have become clear that they all had very diverse backgrounds. Potentially, they would have never met under different circumstances. Betz was the only one with experience of the media

9 http://www.droste-buchverlag.de/epages/61503075.sf/de_DE/?ObjectPath=/Shops/61503075/Categories/%22Wir%20%C3%BCber%20uns%22/Verlagsgeschichte retrieved 130611
industry. Together with Wenderoth and Arnold he supported a Christian political party beyond the schism of Catholics and Protestants. Even though Droste was not a licensee of RP from the beginning he was still involved as the newspaper was printed in his factory, which was under the supervision of Betz. In principle, only Betz was working for his living at RP whereas Wenderoth and Arnold had jobs outside RP. Droste, after being declared innocent of Nazi collaboration also continued outside RP. It was also a prerequisite for a moderate dividend policy which was important to later generations. This is important to bear in mind for understanding the context of MRP.

5.3 The subtitle of RP: a duality and its implications for MRP

The newspaper RP had a subtitle ever since its foundation: “Zeitung für christliche Kultur und Politik” (Newspaper for Christian Culture and Politics). The subtitle was chosen by the licensees and was approved by the British military government. It signaled a link to the Christian parties, e.g. CDU, as the British intended to have party-oriented newspapers (Parteirichtungszeitungen). Esther Betz, the daughter of Anton Betz and current co-publisher of RP, explains:

“No party newspaper. My father noted this in many documents, knowing the same old party newspapers, 1933, ‘Zentrum’ and so on. He wanted an independent newspaper, one that should stand on its own feet, that has to earn its money and not depend on parties, otherwise there's only trouble. But we were and are still close to the policy of the CDU, critically close, it is important that the readers know that.”

Apparently, the subtitle needs to be seen in the context of its foundation as I have explained in 5.1. The subtitle appeared from day one of RP, and has since been changed slightly to “Zeitung für Politik und Christliche Kultur” (Newspaper for Politics and Christian culture). The newspaper RP is now issued in 33 editions, but the main issue is the Düsseldorf edition. Below its title this edition has the subtitle “Zeitung für Politik und Christliche Kultur” (Newspaper for Politics and Christian Culture).

Gottfried Arnold explains why the subtitle was changed:

“This was during the foundation time, or in the years just after. Some have seen Christian politics in the title. The name of the party is Christian Democratic Union. Is it a party newspaper? We did not want to be and were not. That was one reason why the new subtitle was made more precise. Another reason was so that it can be seen as conceptually different, so that ‘Christian politics' can exist or not, depending on how you read the wording. If it exists, it's difficult to define it. Therefore, the modified subtitle has led to greater clarity. “Politics and Christian culture”.”
Gottfried Arnold refers to the foundation and the potential reference to one political party (CDU). He himself was member of the German parliament for the CDU. Another second generation owner, Irene Wenderoth-Alt, comments on the subtitle:

“And the three [founders] together have very deliberately, they were also co-founders of the CDU, and have just deliberately exposed the Christian as the element of conscience after the terrible National Socialism. It was indeed originally designed for Christian politics and culture. We then changed at some point against great odds, after long internal struggles.”

She explicitly refers to the founders and licensees who were also co-founders of the CDU in Düsseldorf. Even though she mixes up the wording as it was initially “Christian culture and politics” she explains that there were debates about it. This is not entirely the same as Gottfried Arnold’s description, which tried to emphasize that it was just a clarification of no great significance. Neither of them was present when the original subtitle was chosen. Wenderoth-Alt goes on to explain the connotations and the difference between Protestants and Catholics:

“The newly acquired Neusser Zeitung did indeed push us to adopt a tendency contract, and they even wanted us to commit ourselves to Christian Catholic values. However, from our side: “No way”. This is also a ‘Rheinische’ particularity. So yes, especially in the Rhineland open Catholicism is rooted deeply, and for many long-established Catholic families it’s just a matter of course, something to say out loud, to practice ... and because of this historical background that you have to see. We are a Protestant family. My parents especially were both very consciously Protestants. Sometimes there were even one or two discussions. My father complained bitterly when they always said ‘the Church’ and meant the Catholic Church. He could speak clearly about it in a publisher’s meeting because in his view the Protestant side was understaffed. For a while we always had a Catholic editor in chief, but then we got a Protestant editor in chief.”

So Irene Wenderoth-Alt is more critical, but views this as something from the past. There had been tensions and debates concerning the schism between Protestants and Catholics in the RP’s history. The former owners of the newly acquired newspaper are proponents of Catholicism. They wanted that a catholic mission should also be valid for MRP which Wenderoth-Alt rejected. This also relates back to the biographies of the founders, where Anton Betz and Karl Arnold had a strong Catholic background whereas Wenderoth had a Protestant background. Irene Wenderoth-Alt does not see these difficulties any more, even though they were again on the agenda when the neighbouring Catholic ‘Neusser Zeitung’ was to be fully acquired. It is interesting to consider how the subtitle relates to other outlets of MRP. Being asked about whether rp-online also uses the subtitle Gottfried Arnold explains:

“No, it is a title that is reserved for the newspaper Rheinische Post. It is not to be taken for the online edition and is not included.”
An editor from the cultural section of RP, Wolfram Goertz, comments on the subtitle as follows:

“So the Rheinische Post has for many years not had the reputation of being close to the Communists. We were and are still a newspaper in which key people from the company’s history were not in left-wing parties, but just in the CDU. I personally do not mind at all. And it’s also ... so you cannot say that the Rheinsche Post is a CDU newspaper. It is a conservative paper, that’s true, but I do not perceive that as disadvantageous.”

Goertz relates the subtitle to party politics. This is revealing as it may be considered a contradiction of what the management says about why the subtitle was changed, i.e. to clarify the stance towards being a party newspaper. Others may agree with his description. The editor in chief, Sven Gössmann, comments on the subtitle and its implications:

“The course is already being pursued, because you need to see, yes, even just a commitment to Christianity in a highly secularized society has been taboo for a long time. There was hardly anyone who was committed to it. The Christian Democratic Union, for example, has sometimes been denied, by representatives of the Church, the right to lead this “C” for Christian. Let’s say, to say this once self-consciously, I am a Christian, I stand by it. I behave well. This was unusual and certainly provoked reactions. It makes us unusual, but at the same time says where we are located. But sometimes it leads to the misconception that we are a newspaper which has a preference for a political party related to the Christian parties. This is not so. We are non-partisan. But we are of course in the bourgeois sense, we highly value this old. We look at the course, which represents the policy credibly. That is why we have such trouble with the Left Party.”

Comparing the way Goertz and Gössmann relate to the subtitle shows the inbuilt dilemma of having to deal with party politics on one side (CDU) and Christianity (Protestants/Catholics) on the other side. For Sven Gössmann, this also implies a certain general orientation of the newspaper and the entire media group:

“I think that every newspaper has a kind of genetic code and the ideal is actually passed from colleagues that are working here to those that are new. Everyone, of course, tests a bit the limits. But you know, or you guess it in German journalism, if you go to the Rheinische Post that some things are simply not possible.”

Here he explains that it is known to others that RP has a distinct political orientation which limits the possibility to promote other political orientations in the newspaper. Being asked further about what this code actually implies:

“It is not possible to propagate the dream of a socialist world government, in the Rheinische Post. That this includes, for example, criticism of the leaders of the two major Christian churches is reasonable. But a blunt rejection, for example jokes about the Pope or jokes about the president of the Evangelical Church in Germany or the chairman of the Jewish communities, has no
relevance to us. We are committed to reconciliation between Germans and Jews. We believe that a separate economic order, such as the Federal Republic of Germany, and social order are best. So let's say that someone who is trying to promote, for example a communist or extreme right-wing world view in their journalistic work, would not feel comfortable here.”

The way Gössmann describes what he perceives to be a ‘genetic code’ also reveals its relevance to identity. Behaving the way he describes would be considered not in line with the self-understanding of who they are as a ‘Christian’ newspaper.

To gain understanding we listened to some employees. A new trainee, Christian Witt, said about the subtitle:

“... I associate it more, because in quotation marks ‘historical background’ ... I do not know if it is Christian, it is written in the sense that somehow the whole time is just about the church or just about politics ... this is certainly a company or newspaper motto which impact is certain ... that is, politics will never disappear from the newspaper and the Christian idea behind it will not either...”

Another trainee, Katrin Händeler, comments:

“No, I do not know exactly where it came from, but that's natural. I do not even remember who had these three maxims, the founders. Those, market economy, yes, I think Christian and politically ... So having set themselves those three maxims. What it is like right now, I still would have to read. Christian but not too strongly influenced. Not tied to any party.”

Sandra Hoppe, a trainee who works mainly at the printing factory reflects:

“Yes, so I guess in principle, of course, the company is open to all sorts of directions, be it political, and so on. So, they are of course, impartial, which, I think, for a newspaper is also very useful. And yes ... so they are very open, basically. And that has been, well, I think, in practice, is also lived in the various areas or departments.”

Sandra Hoppe assumes that organizational members behave according to the guiding principles. Back to the editor in chief, Sven Gössmann, who joined RP in 2005:

“Here, however, it refers to the tradition of our title, founded in 1946 as a licensed newspaper of people who came from the Christian, and more specifically from the Catholic workforce. The subtitle was first “Newspaper for Christian Politics and Culture”, and was then changed in the 1960s, to make it clear that the newspaper was nonpartisan. We hope it conveys that we are committed to the values of the West, a Christian view of humanity, a social market economy, public policy reasoning. This is what our title expresses and that we also want to preserve a society that is democratically-paced, on the right path in social policy, and to be a newspaper that is dedicated to the promotion of cultural life. Our cultural life is also defined as a religious life, as a friend and patron of the arts.”
Gössmann is also not entirely correct about the founding subtitle. He further locates all founders in the Catholic workforce. As I explained in the founder portraits, this is only true for Karl Arnold, although the subtitle always referred to Christian culture. His relative short employment at MRP could explain this. Nevertheless, it is interesting to see that there are different stories about the founders and their background in the organization. The Head of Organization and Methods, Kurt Pfeiffer, who has worked at RP since 1992 explains by linking it to a greater context:

“Well, the newspaper itself has its subtitle, the newspaper for Christian culture. So I do think that the Christian values and fundamental cultural values that we represent here in Germany are also the editorial guidelines of the company.”

Even though he is not an editor he works in close cooperation with the editorial staff of RP and he has experienced the organization and its changes for many years. The third generation owner manager Karl Hans Arnold links the title to its historical context:

““Christian Culture” is our guiding principle. Christian politics and culture came with the founding of the newspaper then ... again after the fall of the Nazi Reich when Christianity, Christian values again appealed.”

A reliance on the heritage of “Christian culture” could be the reason for RP’s business style. Karl Hans Arnold refers to Christian politics as a historic subtitle. There seems pride in the transfiguration of the founders as well as the foundation. Many interviewees describe an attitude towards business that is in line with Christian values. It was not until 1956, that Betz, Wenderoth, and Arnold came up with a further identity statement:

“Rheinische Post is a newspaper with a Christian democratic orientation for the urban and rural population in the Rhine and Ruhr area. It is not bound by the program of any political party. As it is published in Düsseldorf, the capital of the federal state, Rheinische Post has the particular task of covering events and developments in the federal state of North Rhine-Westphalia to produce news and articles.” (As quoted in Betz, 1986)

This statement ties into the next claim which locates the newspapers geographically.

Michael Hamerla writes in the 60th anniversary edition:

“Therefore, the new type of newspapers did not belong to the parties, but were economically and politically independent. This framework proved the Rheinische Post to be resilient, because it was driven by inner conviction, and represented steadfastness in times of need.”

Today, MRP has guiding principles which partly reflect the history of foundation (see Figure 6). They are important as they are seen as a reference point for the management.
Ultimately, the subtitle and the guiding principles include dual meanings. The editors and publishers derive direction on what to publish from the subtitle, e.g. politics and Christian culture. Christian culture has been interpreted as including stories about churches of different denominations. The subtitle, and in particular its historic context, has been phrased differently by interviewees. One explanation for this could be that they were not present when the subtitle was decided and changed. But it seems possible they used the change to justify certain editorial content. The actual change can be considered marginal; simply a change in the order of words, but how the interviewees make sense of it is more than marginal. The interviewees seem to attach meaning to the founders and the foundations which is still of relevance today. This however does not prevent a tendency of transfiguration of the historic meaning. In the following sections I elaborate further on dual meanings and present them in terms of dualities.

5.4 Dualities in MRP

In the theoretical framework of this dissertation I introduced the concept of dualities which I use to categorize my empirical material. This helps in understanding organizational identity construction, in particular in family businesses. In a first step I use dualities which have been conceptualized for family businesses by Nordqvist, Habbershon and Melin (2008) e.g. historical path-new path, independence-dependence, informality-formality. In addition, to
account for the media-context I use a fourth duality, commercial/journalistic (Achtenhagen & Raviola, 2009).

5.4.1 Formality-informality

A theme that emerged during review of the empirical data is professionalization which fits neatly into this duality. This theme appeared in the context of the inauguration of Karl HansArnold as managing director and as the third generationArnold who is active in MRP. Before Karl HansArnold joined the managing board, the company had no owning family members active on the management board for some time. Other aspects of this duality concern the relationship between the senior management team and the advisory board.

Karl Hans Arnold becomes managing director

When Anton Betz left the position of managing director the media group RP had only external managers. The owners remained close to the business however, as publishers of the newspaper and through the advisory board. This situation changed when Karl HansArnold was nominated as managing director.

Horst Wendland who is the Head of the Finance Department and has worked at MRP for many years, describes the situation as he recalls it:

“Dr. Karl-Heinz Arnold, who is the son of our chairman, was appointed managing director, because, well, he brings good qualifications and because it was a necessary decision due to retirement and the like in the previous management. Succession had to be regulated, and Dr Karl-Heinz Arnold was mentioned, which from our viewpoint I actually think was a good decision, because he worked for many years in international publishing houses and he also had media experience. He is also owner and managing director, which is actually a new thing for us in the management board, but I believe it has paid off. There has not been any major criticism from the other shareholders. It has certainly been discussed. I was not there. As I recall the protocols, it had been discussed before but it had not been rejected or a close, “51 to 49”, decision, but it was clear.”

The re-introduction of an owner-manager could be considered a shift in management style, as it would have been possible to choose another external manager. Horst Wendland continues by giving his impression of Karl Hans Arnold:

“Dr. Karl-Heinz Arnold actually behaves exactly as you would expect from any other external manager. So, he appears at least to me, when I meet with him, not as if he is now the Managing Director but really also the owner, I cannot say that.”

To Wendland, Arnold does not point out that he is an owner-manager. In other words, Wendland does not think that he takes advantage of the fact that
he is also an owner. Nevertheless, he emphasizes the need for a certain qualification as managing director:

“…there has to be a certain qualification. This is required in our charter. You can imagine that we would have hard times if we appointed a naval engineer as technical director, someone who has no idea of printing and printing presses.”

It should be noted here that the charter he is referring to was decided at the shareholders meeting. The owners defined the qualifications required of managing directors in the charter. Another interesting aspect which underlines the formality pole of the duality is the use of the title ‘Dr’ when speaking of Karl Hans Arnold. Gottfried Arnold, the father of Karl Hans, argues similarly:

“Yes, the determining factor for appointment to our management board is the qualifications of each candidate. My son had a ten-year education after his studies in another international publishing house and so all agreed that, due to the experience and because of his qualifications, he would be a suitable member of the managing board, and he was then appointed by a unanimous decision as managing director. He is now deputy chairman of the management board.”

Gottfried Arnold highlights the formal qualification and experience as well as the fact that he was appointed unanimously by the board which Gottfried Arnold chairs. Others share this viewpoint. For instance, Stephan Marzen, on being asked whether it makes a difference that Karl Hans Arnold is owner-manager:

“No. I know whole lot companies where it makes a difference. The impression I get is that a management function is occupied by a person because of their ownership status. Here in the [publishing] house I have to say clearly: no! His management experience and career before he came here, I think, gives no reason for doubt.”

Stephan Marzen points out the potential usefulness of having an owner-manager. His comment is in line with other comments, noting that he was nominated not because he and his family are owners but because he has former experience and qualifications. By emphasizing the formal qualifications of Karl Hans Arnold as managing director, the interviewees also position him in opposition to other examples of German media companies where succession has caused problems.

10 Until the recent scandal concerning the plagiarism in the Doctoral thesis of the former German minister of defense, Karl Theodor zu Gutenberg, a doctoral degree was considered the standard for the top management of German companies. It is also not uncommon to use the academic title when addressing people, e.g. ‘Herr Doktor’ or ‘Doktor’.

11 Examples of ‘failed’ transitions within the owning family are the “Kölner Stadtanzeiger” (DuMont) or the “Sueddeutsche Verlag” which also began as a licensed newspaper in Munich, where the owning families had to sell their shares in 2007.
When Clemens Bauer, the chairman of the management board, was asked about whether it matters that Karl Hans Arnold is also an owner he replied:

“It would be wrong if I said it does not matter.”

Bauer claims, in opposition to others, that it does make a difference that Karl Hans Arnold is also an owner. As Karl Hans Arnold is also the designated successor of Clemens Bauer as chairman of the management board, the question of the succession process came up:

“So there is certainly a handing over, but I do not believe that a colleague who has spent so long in the house and who knows the house very well, and is a professional, needs an ordinary introduction. He needs the information about events that were previously not known in detail, but an introduction as an apprentice is not needed.”

Here, Clemens Bauer starts emphasizing informal aspects of the situation. He continues describing the general rules for managing directors:

“It is not a goal in our corporate charter that shareholders become managing directors. We have an unwritten rule that if one has qualified externally, so that they would be feasible compared with other candidates, than they should not be disadvantaged. But right now I see no activity in this direction.”

By referring to the corporate charter Bauer emphasizes again formality. However, talking of unwritten rules hints towards more informality. The charter is decided by the owners. Clemens Bauer formulated it so that being an owner should not disqualify a person from becoming a manager. By stating that there is an unwritten rule, it becomes apparent that the question of owner-managers is relevant. Felix Droste, who is the third generation Droste and member of the board, says about Karl Hans Arnold and his father Gottfried Arnold:

“That is due to performance. Gottfried Arnold has done his job as publisher and chairman very well for decades. Karl Hans Arnold would not have become managing director if he had not had a career which encouraged the other family groups to appoint him. He is just very well qualified and has also shown over time, that he does it well. So it is performance based.”

Felix Droste also emphasizes the different background of the Arnold family compared to the Droste family:

“The Arnold family has no own family engagement [other than MRP]. Karl Hans Arnold has a business career, business education. I think that Dr Gottfried Arnold trained Dr Karl Hans Arnold more or less specifically for this task. But Dr Karl Hans Arnold could certainly have had a career in other ways in the company.”

The Droste-family has other business activities, such as the Droste Verlag, a publishing house for books, a travel agency, and some retailing activities as well as their ownership of MRP. Felix Droste manages these activities together with one of his brothers.
Interestingly, Felix Droste also uses the formal title, Dr., albeit not all the time. Clemens Bauer says:

“I believe that in recent years, with the emergence of a management team which has consisted of salaried managers, we were well off. I believe that when families are also in the management team other things play a role. Questions of power can suddenly play a role. A system such as we have today can also interfere. I’m not saying that it must happen, but the risk that something could happen certainly is higher than with external managers.”

He is a salaried manager himself. Nevertheless, I got the impression during my various conversations with family members that this viewpoint is shared. In a way, Bauer also refers to common stereotypes about family businesses who are considered ‘unprofessional’ or where there are feuds. Examples from the German media industry were referred to in interviews, and everybody gave the impression that this is not the way it is done at MRP. By emphasizing the formal aspects of management they give the impression of a professional business. Finally, I asked Felix Droste about the fact that there are three managing directors when there have been four in the past. He says:

“It was originally planned that there would be three. In other words, there will probably be another external manager. They have the majority in the executive board. This is still the case, the company is still formed by external managers but with the additional strong influence of an owner-manager, which is good in my experience, because owner managers introduce stronger shareholder interests, and encourage the interests of the company. There are many examples in Germany, where owner-managed companies are very successful in the market.”

In the former section external managers as well as owners emphasized the importance of being professional in terms of qualifications and behavior. To me, this strong emphasis on the ‘professional’ side comes with formality. This is also expressed by using academic titles or having a dress code, as Christian Witt, a trainee who joined MRP in 2008, adds:

“The good thing is that it is a media company, but it is not an agency, not an advertising or media agency. I say it has some solid basis. Agencies are fine, because you can walk around in sneakers and so on. That's all very lively. But there are a few things which are not so beautiful: extreme working hours, at extremely low pay.”

However, there are also examples of informality, which the next section illustrates.

Gottfried Arnold explains his way of working as chairperson:

“I exchange myself several times each week with the three members of the management board. We have a very casual approach on this floor. We don’t write letters, we telephone each other.”

Here, Arnold describes the informal approach that he sees. Even though he has several other occupations he is in his office on the executive floor almost every day. The offices of the management board and their staff are also on that
floor, as well as some meeting rooms and functional rooms. It is very easy to get together, or to meet other managers on the way to the elevator or the kitchen. Thus, formality and informality can easily be combined.

Another illustration of owner-involvement is given by Esther Betz who says:

“I'm interested of course, in the fate of our employees. Of course, we are a big company, but people are still more interesting. One takes a lot more interest, as much as possible. So it's another basic climate, not one of cold managers. Humanity, I think, plays a major role here.”

She emphasizes that not only is the business important to her, but particularly the employees. She talks about how she interacts with different employees and takes an interest in their lives. She also shares her opinion with editors as the following statement shows:

“I often go to the theatre, concerts, first, because I enjoy it, because it suits me and secondly because I cannot otherwise assess how our editors write about it. I get so many letters from readers, and if they are not satisfied at times and if I have to tell them I don't understand, that's bad. So I show myself at the front.[...] Therefore I say if I enjoyed something very much, I just mail.[...] And so I am constantly in contact with editors. And if you have written before, and know this is not so easy, then you can also criticize.”

Esther Betz wrote small articles and reviews of concerts for RP when she was studying in Munich in the 1950s. Later she wrote for the feature pages of RP and reported from the Catholic Council in Rome, amongst other places. Esther Betz behavior shows another form of informality, taking an interest in the employees, but she also uses her private experiences to give feedback to editors about their work. She also chairs the Anton-Betz foundation, which was named after her father, so she also communicates events about the foundation to editors for their consideration. She therefore uses her informal contacts with members of staff as part of her formal job as publisher, and thereby combines formality and informality.

The supervisory board
The work in and with the supervisory board is also characterized by a duality of formality and informality. Clemens Bauer, the chairman of the managing board, describes his relationship with the advisory board and the shareholders as formalized:

“We have a very clear structure and rules according to which the chairman of the Supervisory Board and the shareholders' meeting is also the contact for managing board. As Chairman of the Managing Board, I communicate with the Chairman of the Supervisory Board regularly, usually twice a week on anything and everything, current developments underway in the company, decisions which the management prepares, where areas of concern arise, possible solutions, and so on, so that ongoing and continuous, usually verbal, communication [takes place].”
Clemens Bauer also refers to the company charter which regulates the roles and responsibilities of the different governing bodies. He emphasizes its formality.

“The management has defined a significant degree of personal responsibility in the charter. This is stated in the charter ... There the things are written. So people know to play by the rules by which the company works and it is also laid down there that the management must act responsibly through a catalogue of transactions requiring approval.”

According to Clemens Bauer, the collaboration between the management board and the supervisory board is signified by both formality and informality. There is formal written communication as well as more informal verbal communication on a regular basis. Horst Wendland, the head of the finance department describes the formalization of different bodies of the company:

“Four years ago, the company determined in its charter, the duty to form a supervisory board. The Supervisory Board must, as all supervisory boards, monitor the function of the management and decide certain things. This is clear from our charter, which clearly governs certain transactions. So, for example, management can take out loans but for loans of a certain size they have to ask the supervisory board for approval. But the shareholder meeting is to ask about important procedures, such as changes in ownership...and so on, then the general meeting has to be consulted. According to German law, the appointment of managing directors is a job for... the general meeting, as are decisions about income and balance sheet statements, dividends and so on. So there is, in this house anyway, shareholder meetings and board meetings, at least three times a year as a rule. Because everyone knows each other well, they are usually connected, although they are separate in the invitations. First, the supervisory board meets and then the shareholders; some shareholders are indeed the same as supervisory board members. The charter states that any shareholder group may nominate a supervisory board member from among their group, and this cannot be prevented by the others. So, unless, well (laughs) they are serious criminals or something similar, they cannot usually be stopped, and then of course someone can make a proposal for election from within the group. Someone who is nominated in the group. So, there are external members and there are also shareholders. It has been mixed for many years and has been proved to function. We have had a board chairman for decades, Dr. Gottfried Arnold, who is here in the house almost every day. Actually every day! It is like that. He can certainly be addressed by management at any time. According to our statutory rules, however, he cannot decide everything alone. There are also emergency decisions... or those made together with the Deputy Chairman. In case of urgency, in some cases, anyway, he can say okay without a meeting of the entire supervisory board. There is a close link between the Chairman and the managing board because he is often in the office. And yes, he has known this house for ages, knows all the owners and
the relationship of management and owners, my experience of this is a good one.”

According to Horst Wendland, the supervisory board is a recent development. He describes the importance of the supervisory board and how it is linked to, and works together with, the shareholder meeting which meets regularly, three or four times a year. He also points to the role of the chairman of the board, Gottfried Arnold. The description of his almost daily presence in the house suggests a greater degree of informality even though Wendland is eager to underline the formal procedures. Something else which suggests a certain degree of informality is the fact that the supervisory board and the general meeting of shareholders take place at the same time. This can be described as a typical level of informality in family businesses which, however, has recently been complemented with more formal rules.

Horst Wendland describes the continuous meetings:
“…at least three or four, there are also extraordinary meetings where the shareholders and board members meet here and discuss their applications with the management, and decide together. Sometimes they reject. In general, it is so that due to the open information policy in this house, which this management follows towards the shareholders results in that almost everything that is then presented, really is approved. Yes, well that's not the case that before ... it is not so, that everything is approved, and Amen. Sometimes it is also controversial, but it is then from the requesting site in principle informed and well-argued. Once auditioned, it is always good.”

Wendland also describes the general atmosphere as open and the meetings as generally harmonious. A similar comment with regard to Gottfried Arnold is given by Irene Wenderoth-Alt:
“Although I must say quite clearly, a very large part, to a very large part is down to the merit of one person, and that is Dr. Arnold, Gottfried Arnold, who truly is a master of balance! I know no one who manages to bring difficult, sometimes divergent opinions to a consensus with which everyone can live, where everyone says, yes, that's good, that's what we do. That's how it goes. So it's really, that's really such a good example. And that therefore your representative [the daughter's] in the shareholders meeting, represents only my daughter, who is under execution of a will. The two youngest children are and the executor is the old Dr. Flick, a leading business and tax lawyer in Germany. Every time he [Gottfried Arnold] talks in the meetings...it is unbelievable how he manages the meetings. He is therefore held in the utmost highest regard. If he steps down as Chairman at some point, what happens then? I do not know. That could be difficult, but perhaps we have now learned so much from him, that we can continue.”

Wenderoth-Alt describes Gottfried Arnold as a very moderate and humble person who is always looking for compromises and solutions with which all parties can live. This could be a result of his long-term political experience.
Gottfried Arnold gives the following statement:

“I am Chairman of the supervisory board. This is a committee of nine persons. In the supervisory board, we discuss the overall economic situation of the company and decide on applications submitted by the management to the board for approval. I represent my family at the general meeting of shareholders as the spokesman for the Arnold family.”

Gottfried Arnold held several positions, not only within MRP. He was also chairman of the supervisory board of an insurance company in Hamburg and is member of the board of W. Giradet.

Horst Wendland also describes the ownership structure in the shareholder meetings. This is of importance to understand the relationship of the owning families which has lasted over 3 generations:

“Regarding the shareholder structure, all have around 20-22 per cent. Yes, and if they were to form alliances, then it has to be actually two owner groups who support it. So this is it ... thank God. So if we now had a group with 55 per cent, well then it would be easy. But that is not the case. So we have a slightly wider spread. And therefore they are forced to cooperate. Then ultimately the majority decides.”

In Wendland’s view the ownership structure is beneficial as it requires them to work together. He also confirms what others have said, that there is a tradition of ‘harmonious’ cooperation. In the following I illustrate this by giving voice to comments from the different families.

Felix Droste shares his and his family’s approach to the meetings of joint shareholder assembly and advisory board:

“Looking at the Rheinische Post they made it easier and let the sessions take place simultaneously, i.e. the boards of directors and the shareholders’ meeting. So we have an internal family agreement, that my siblings have authorised me, as with the other families, to attend the shareholder meeting, so that when one take part in the shareholders’ meeting, it is a bit as to have a supervisory body then in the family, as well.”

Even though the meetings are formally separate, a supervisory board meeting and a shareholders meeting take place at the same time, but in sequential order with separate invitations and agendas. Thereby, Felix Droste illustrates the interdependentness of informality and formality in the work of the supervisory board and the shareholder meetings.

Manfred Droste has 14 grandchildren from four children. I asked Felix how he deals with his siblings, and whether he discusses the issues of the board meetings with them all:

12 Until June 2009, Gottfried Arnold was chairman of the Hanse Merkur Krankenversicherung a.G. Since then, he has been honorary chairman. His son, Karl Hans Arnold is also member of several boards in this insurance company.
“Only in the inner circle. So we meet, my brother Tilmann, my father and I. We particularly discuss things when difficult items are on the agenda. It is important that we talk about it beforehand.”

Apparently, there is a need to coordinate and discuss issues not only within one family. Therefore I asked Felix if he has contact to members of the other owning families:

“That has now been established in the next generation and I certainly meet with Dr Karl Hans Arnold two or three times a year, and with Florian März, who represents the Betz group. But I’ve also met with Mrs Wenderoth-Alt. One also looks for contact in the next generation, because we are aware that we need to continue this in the next generation.”

Irene Wenderoth-Alt also agrees with other concerning the harmonious relationships:

“The relationship was traditionally, is traditionally, very good. Sometimes one may disagree. But then there’s always a consensus. There have been no arguments that would have been somehow carried into the company. When you hear stories from outside, this climate proved to be very helpful, just because some, including Mr Ludwig, whom you know well, who said quite clearly in the meeting, he would also have had other options [than joining MRP]. But those were companies where there was cut and thrust, and for him it was just a very important idea that has to do with us, he associates it with a positive idea, which really, where there is agreement and where no one somehow gets caught in the fire.”

She refers to the recruitment of Mr Ludwig, the managing director for finance and administration.

Esther Betz, the publisher of RP, talks about her relationships with the other owning families, also outside the MRP context:

“Yes, of course we meet, for example, when the Droste family has celebrations. They have a beautiful property with a large garden. Indeed. I’m on a first name basis with the sons of Droste, I’m on a first name basis with the children of Arnold, and also with the children of Mrs Wenderoth. The young of the different families are on a first name basis among themselves anyway.”

This statement illustrates the informal relationships of the owning families. She also says that these informal relationships exist across generations which I consider important for a family business.

The role of the board and the decision process is also illustrated by Kurt Pfeiffer:

“Major projects are generally brought to the committee meetings, and so to the supervisory board and the shareholders meeting, and are then either part of an investment plan or there is a special presentation for such meetings, they are also applied for and then approved.”

This statement also underlines the formalization which has been introduced and has been mentioned before. The managing board has to send proposals and suggestions to the advisory board well in advance. The advisory board and
the working process are explained in the organizational charter. What becomes clear is that the formalization mainly concerns the relationships between the organizational institutions, e.g. management board, supervisory board, and shareholders meetings. As well as these formalized processes there are also informal relationships which are relevant within individual families as well as across families and between members of the different boards.

5.4.2 Being a media company not a shoe factory (commercial-journalistic)

This section refers to the duality that is typical for media organizations, e.g. being a commercial enterprise and having a journalistic mission. When asked about the meaning of being a media company Gottfried Arnold said:

“The media has, in fact, a special function in Germany, according to the legislation. The newspapers in Germany have a public function by law. I am very aware of it. A newspaper company or a radio broadcaster is something special. It is a public duty. If you open a shoe factory, you do not have a public duty. This results in special obligations for the press.”

Arnold emphasizes the public mission of the media which is also institutionalized in the law. The editor in chief, Sven Gössmann, also emphasizes the importance of having media people in the management:

“…Our managers are not just ‘flown in’ people who have worked at a soap factory, and the next day at a car supplier, but they are people who come from the media, who have already spent a relatively long time here, they fit in with us…”

The media dimension is taken very seriously, even though there are also different interpretations. The issue of ‘fit’ arose several times, that people who work for the newspaper must ‘fit’ the proclaimed identity statements. So, being a media company is considered important, but as there are no media subsidies for private companies they also need to earn money in order to survive. This is how Karl Hans Arnold describes his view:

“I believe that just such products … Media-culture products … which are also sold in a journalistic quality, are more important in an industry. Perhaps they can even be done rational at one point or another. Who judges editorial quality? […] A stock market pays attention to such figures more than certain journalistic standards and is also impatient about time… unlike publicly traded companies.”

Here again, he refers to publicly listed companies. In his viewpoint there is a certain expectation of the stock market which might not always accept the logic of media products due to the stock market’s focus on (short-term) results. He continues to explain the development since RP’s foundation:

“The origin of the company was at that time, the reconstruction of democracy. The licensor was not thinking of a commercial company after the
war in any way. The job was a reconstruction of a democracy. In the end, most newspapers became business enterprises. Our ambition is to make good, responsible, high-quality journalism. But we are a commercial enterprise, and so far held to make money, generating profits to ensure that the company is viable. So we follow the economic assumptions as well as any other company.”

In this statement, Karl Hans Arnold brings the dual nature of media in general and MRP to our attention, although his interpretation of the intentions of the British authorities might differ from the actual intentions. According to several publications, the British were keen to make sure that the new licensed papers were economically independent. The conditions for Rheinische Post’s license stated:

“This license has been granted under the condition that no person that is not mentioned as financially involved in this venture in the license application, has any share of the profit of this venture, and furthermore that no financial share of the venture is reserved without approval of the military government for any person not mentioned in the application.” (Hüffer, 1995). Thus, financial independence was expected from the beginning. It is also explicitly mentioned in the basic principles.

Several interviewees have emphasized the special function of the media that is guaranteed in the German constitutional law, and thus basically describe the classic duality of media companies who have to address different audiences to sell their product and in addition follow a political/educational mission. Looking at these seemingly conflicting poles of journalistic freedom and selling advertisements in the newspaper. The introduction of a joint sales desk (see figure 7) can be seen as a way to bridge the gaps between the different units and manage potential tensions. However, the way it has been described to me it seems to be a coordinative tool. Karl Hans Arnold, the son of Gottfried Arnold and managing director who is the only family member active in operations in the business says the following:

“It is held by four families and the third generation, and so it is purely a family business. It is also held by family members directly.”
As previously mentioned, Gottfried Arnold, Esther Betz, Manfred Droste and Irene Wenderoth-Alt are all publishers of the RP which is the main outlet of MRP. Gottfried Arnold explains:

“I am Chairman of the publisher’s conference. This is a meeting with the publishers and the senior editors which takes place at irregular intervals. There we discuss all the topics that I choose in advance, which are of interest for the newspaper, and have an open debate about them. There are no protocols for the results. It always ends so that we reach a fundamental agreement on the questions between publishers and senior editors.”

The publisher’s conference is a formal setting where the editors and publishers discuss current issues and how they should be covered in the outlets. Even though the editorial conference is to a certain extent formalized it also is a rather informal and open forum for the exchange of opinions between the publishers and owners on the one side, and the editorial staff on the other.

Publisher conferences take place in relation to, for instance, federal or national elections. The managing director and editor in chief for rp-online,
Rainer Kurlemans, who also takes part in the publisher’s conference, explains the relevance for him and his publication:

“We are a limited company [GmbH] and a limited company is a little different set up. We have no publisher in that sense, but of course we have the same goals, so we have the same idea about people. Christian values are important, which includes the socialization of the RP staff, and is, of course, just as important for rp-online. We cannot go and say that as a newspaper we have one opinion and as an online publication, we have a very different opinion. This does not work. And so we do not have to. We do this because these values are indeed correct and important for the media company. Exit for so long and we belong to it. We also feel as a part of it [RP]. We are just another delivery channel. I’m not on my own, just because we are a limited company, with my own business identity, but it’s the case that we feel part of this family, and accept their values and their rules and are happy to join in, so to speak, because that’s our common family. This is now independent of whether they [the publishers] are with us in the imprint or not.”

5.4.3 From a local newspaper to an international media house: following historical paths and new paths

As mentioned in the introduction to this chapter, MRP is active in four countries and therefore internationalization has been on the agenda for many years. MRP entered the Czech newspaper market in 1994. The Polish regional newspaper market was entered in 1999 and MRP has also been active in advertising newspapers in the Netherlands since 2005. In hindsight this process looks quite natural but there have been tensions that had to be overcome along the way. In other words, the internationalization represents a new path which today runs in parallel to the historical path of RP.

This duality is described in the Annual Report of 2009:

“The main subject of the business activities of the media company Rheinisch-Bergische Verlagsgesellschaft mbH are the publishing, production and sale of regional newspapers in Germany, the Czech Republic and Poland as well as free newspapers in Germany and the Netherlands.”

This clarifies the focus of operations and its geographic spread. In the Annual Report it is further clarified:

“The business and economic focus of the RBVG Group remains in the print media. The focus is upon the publication area of the Rheinische Post and the Czech Republic to primarily secure the position in these markets for the future and in particular to expand the strong brand cores ‘Rheinische Post’ and ‘MF Dnes’.”

This statement describes the industry but further elaborates that the focal areas are the publication areas of RP and MF Dnes. By naming the two newspapers (rather than only RP) the two poles of the duality are named. But
how did the local newspaper RP become the internationally active media group MRP? Karl Hans Arnold, the managing director in charge of the international activities, explains in an article in RP:

“Because of the language and close cultural ties the activities of media companies were long confined to their home markets. That changed for Eastern Europe, after the fall of the Iron Curtain, when Western partners were sought. They should help build a free press and thus to promote democratic and economic development.” (RP, 30.03.2006)

This is one explanation. But this statement also suggests that entering a foreign market with a foreign language and different culture is a new path which requires considerable effort in terms of, not least, financial investments.

However, there are other reasons for the international expansion of MRP. After the fall of the Iron Curtain and Germany’s reunification, many West German media houses were eager to enter the East German market. As all newspapers in the former GDR were state owned it was the Treuhand Anstalt (Trust Agency) which had the task of privatizing all the stated-owned companies. Yet, there were some concerns that the privatization was based on political influence, especially with regards to newspapers:

“There were a number of bidders who were tricked by the Trust. On 28 August 1990, as Schaub’s Media Union gave its tender offer to the Trust, the publisher of the Düsseldorf-based Rheinische Post applied at the same time, for "the 100% acquisition" of the Chemnitz-based [Freie Presse-newspaper], and the Axel Springer Verlag followed a day later.” (Der Spiegel, 11/1991).

Schaub was a media entrepreneur from Ludwigshafen, the home town of Chancellor Helmut Kohl. Therefore, many suspected some hidden favours were being granted.

“But Schaub was given the ‘Freie Presse’, without an "official communication" to the competitors by the Trust Agency had come about with, as managing director Clemens Bauer of the Rheinische Post complained in mid-January.” (Der Spiegel, 11/1991).

There was further speculation that the bidders who did not succeed should be compensated with other objects:

“Critics expected that the re-tendering of the former East German publishers by Trust Agency, should serve bidders who were disregarded in Halle and Chemnitz. “I expect that we will get our chance” said managing director Clemens Bauer of the CDU-affiliated Rheinische Post (circulation: 397 000) in Düsseldorf. “The tender process in Chemnitz” complains the Düsseldorf-based Bauer, “was not very friendly.” The Trust Agency then encouraged him to make a new offer for a newspaper publisher, about which Bauer will, for the time being, “better to say nothing”. (Der Spiegel 7/1991)

A later offer to buy a minority stake (49%) in the ‘Sächsische Zeitung’ was rejected by MRP.

As can be seen from the introduction to this chapter, international activities became more important for the group. This is what Gottfried Arnold thinks:
“...The future is also our newspaper in the Czech Republic, as we give out the largest daily newspaper, as well as another, advertising papers, and even a free newspaper. The future must lie in this summary of all activities....”

Stephan Marzen, who is the Head of the Department of Investment, says: “We have ... well ... first example: When decide, we go into a new market. We have, this is no secret, worked intensively with the Ukraine. Is this a market that fits us, or is this a market that does not fit for us? We then realised wait, firstly, this is culturally still further away from our horizon than, say Poland or the Czech Republic, and there are other mechanisms, the influence of oligarchs, proximity to politics, and and and ... that has rather discouraged us, where we say we have to do certain things that we do not want to do. In addition, we have seen that structures in sales, the print shop, and the personnel market that we normally access, do not exist, so this is where we have said the risk is too big, that it would take a long time until it is as we’d prefer.”

According to Stephan Marzen, entering international markets is no goal per se. The internationalization process also exhibits dualities. It may have started as a secondary solution when acquisition and growth in East Germany was denied by the authorities, but, as Stephan Marzen explains; the focus of international activities is very carefully organized and very much adapted to the local market. The importance of local culture and relative proximity to the MRP culture are considered important for investment decisions. In addition, it also allows the founding ideas and basic principles of MRP to spread to further markets, building democracy and economic development which ties into this duality mentioned before. However, the approach to internationalization can also be described as a duality of the international and local since in their respective markets the local and regional aspect is strong. This is further emphasized by the new pole arising with Prague and the Czech activities which can be considered a second home market. Sven Gössmann, the editor in chief of RP, says the following: “Now and then we take over texts and images from each other. So if, for example, our Czech colleagues have war correspondents in Iraq or Afghanistan and we don’t, then we use one or the other. We once had an interview with George Bush from them, because they are a national title and it was a NATO summit in Prague or something. Once or twice a year, my colleagues or subordinate employees of mine, meet colleagues in Prague and vice versa. Then they visit us and discuss. Both markets are only conditionally comparable. We are strong in regional; they are strong in national titles. Both the two newspapers and the internet portal or the television colleagues there, they live in a different society than we, have and not the flagship character as RP]. Quite simply, we say that everyone understands who has a say in this House, as we appear in German. Czech is a difficult language, which is known to a very few employees in the German wing of our media group. So our perception differs.”
Gössmann emphasizes the potential for cooperation between the newspapers but he also points to limitations due to differences in language and scope. This clearly points to a duality. MRP as a group is dependent on both outlets, even though RP is currently still the stronger and more prominent part. It represents the historic path whereas the Czech venture represents a new path.

5.4.4 Cooperation: independence-dependence of MRP

The MRP cooperates with several other publishing houses. These cooperations can be viewed differently but they mainly show how MRP struggles with its independence as well as its dependence on others. For instance, there is a joint venture with Metro to publish Metro in Prague, however, MRP holds the majority of the joint venture. Another long-lasting cooperation exists with the publishing house W. Girardet which is also secured through cross shareholdings. MRP holds 6.7% of W. Girardet and W. Girardet holds 4% of MRP. There are joint activities with W. Girardet in advertising newspapers and back office activities (for details see the first section of this chapter). Moreover, there is a joint advertising sales organization (ACN).

“As for cooperation, we are experienced and successful. This is reflected in our common national ACN advertisement sales with the major publishing houses in the Rhineland. With 1.6 million papers, we are the largest unit for advertising in Germany. Other collaborations, such as that with the ‘Westdeutschen Zeitung’ work exemplarily. With such models we can reduce costs, allowing us again to maintain the editorial quality and independence of the newspaper. It is sad but true: in spite of such models, the remaining profits from the necessary future investments are too small.” (Clemens Bauer, Pressehaus)

Rephrasing Bauer’s words, they have to join forces in certain administrative functions in order to save costs and thereby give up some independence in order to keep the editorial independence. With regards to back office and IT, RP joined forces with W. Girardet and merged their IT joint venture with Georg von Holtzbrinck:

“‘The aim of the joint venture is to establish in the rapidly changing media landscape, a stable, efficient and reliable technology partner’ said Patrick Ludwig, Managing Director Media Group Rheinische Post. ‘Through the merger, we combine the media and technology expertise of both companies into a powerful cross-media and IT service company’, said Dr John Kemp, Head of the publishing group Holtzbrinck. ‘The joint venture combines the strengths of both partners, and covers IT service, the entire range of newspaper, magazine, advertising paper and online media’ said Hans-Georg Roth, CEO W. Girardet.” (RP, 30.01.2008)
The cooperation with W. Giradet is the oldest for MRP and Gottfried Arnold explains the relationship with W. Girardet:

“…we also have a cooperation partner, who is the publisher W. Girardet, who has the right to send one member to the Supervisory Board, based on mutual shareholdings that we have with them. So I'm sitting on their supervisory board, whose name is different, the Shareholders’ Committee, and he in our Supervisory Board.”

So the cooperation with W. Giradet is backed with mutual shareholdings. Regarding the reasons for this cooperation Gottfried Arnold says:

“It has existed for decades. It happened in order to explore all the possibilities of technical cooperation and make it more affordable. This cooperation has proven extremely successful and did not affect the independence of the various newspapers. The newspapers have their own editorial staff and are not included in the technical divisions that we have made.”

As Gottfried Arnold says there is cooperation and competition at the same time, as only administrative functions are merged but the newspapers still compete for readers and advertisers. This form of co-existence is also due to restrictions on competition, as a merger or acquisition would not be approved by the authorities:

“When thinking of expanding one has to consider the applicable antitrust law in Germany. There are limits. We have to respect the antitrust laws.”

Due to the existing regulation the opportunities for expansion are limited which also creates dependence. Clemens Bauer even goes so far to say that the cooperation helps maintain the independence of MRP. Eventually, the cross-shareholdings make both groups, MRP and W. Girardet, dependent as well as independent.

5.5 Within MRP: the role of dualities

In this chapter, I presented four dualities which represent the context for the organizational identity construction. The dualities offer a perspective from which to categorize organizational identity construction in MRP. In other words, the organizational identity of MRP as a family business is constructed in and around these dualities.

Nevertheless, I started with the origins of MRP, focusing on the foundation of RP as a licensed newspaper and portrayals of some of its founders. I limited myself to the families who still own the organization. I showed in these sections that even at their foundation the organization was equipped with several dualities which had to be handled. By handling I mean that there were potential tensions which became visible sooner or later in the operation of the business. I explain this in the next paragraphs.
The first duality is formality-informality. The work between the different organs of the organization, e.g. executive board and supervisory board, but also shareholders’ meeting is characterized by the interviewees as highly formalized. They unanimously highlighted the high degree of professionalization as one interpretation of formality (Morand, 1995). The example most frequently referred to, which certainly also triggered my interest as a researcher within the family business context, was the nomination of Karl Hans Arnold as managing director. The re-introduction of an owner manager after years of external managing directors could be interpreted a shift from a policy of having non-owner managers but all interviewees were keen to emphasize that this was the result of his professional expertise, e.g. and not the result of him being an owner. Having an owner-manager strengthens the identity of a family business. That other aspects also come with being an owner-manager, as well as formal professional qualifications, was not mentioned explicitly, but was circumscribed. That the Arnolds mainly emphasized the formal qualification is probably related to the complex ownership structure. Although they are the largest shareholder, they by no means have a controlling ownership position, and they therefore have to balance their position with the other owners. It is not the Arnold family’s business but a family business, e.g. a general family business identity (Zellweger, et al., 2010) as opposed to a family-specific identity (Branninge & Melander, 2011). The development as a family business has been done successfully under Gottfried Arnold, as acknowledged by the other owning families. Gottfried Arnold himself emphasized several times the formal aspects and procedures as laid out in the corporate charter. On the other hand, there seem to be good informal relations between the owning families. An example handoff this is the combination of advisory board meeting and shareholders’ meeting. Gottfried Arnold also mentioned that he has good relations with the management and other owning families as he is at MRP almost daily which allows fast communication and feedback on an informal basis, as he has his office on the same floor as the senior management. In addition, the editorial conferences are also described as informal, as not even minutes are taken.

The British implemented another duality on purpose when issuing a license, which is still present in current identity claims, that of being a commercial enterprise which is financially independent from others. This is characteristic of the commercial-journalistic duality. The British authorities did not use the terminology of duality but they nevertheless were keen on following the examples of Anglo-Saxon commercial newspaper companies which traditionally had commercial goals as well as journalistic goals. The commercial-journalistic duality therefore has its origin at that time. At the time of foundation, this condition served the purpose of preventing political parties from using newspapers as propaganda instruments, as it was done during the Weimar Republic in earlier German history (Hüffer, 1995). Furthermore, it was the model which was dominant in the Anglo-Saxon world. It was also an
experiment since no one knew how the German public would react to this new type of newspaper. Since the British found a supporter of the concept in Anton Betz, who had his own experiences with party-dependent newspapers, it became a success story. Anton Betz was very certain that being a commercial newspaper would also be of benefit to the journalistic/political mission. More recently, the interdependences and connectedness of being a successful commercial enterprise that follows its journalistic mission has been transformed into a ‘principle’ or identity claim that is referred to in organizational debates. This shows the importance of the personal experience of the founders, since the experiment failed for the other two Düsseldorf-based newspapers which did not survive the licensing era for long, even though they started under similar conditions. Over the years, this financial independence became a credo for RP and MRP. Even today, MRP is financially solid with a high equity ratio. As several current owners note, they have a tradition of a moderate dividend policy and little external debt financing.

The next duality is historical paths-new paths. As described before, the RP and newspapers represent the historical path, as the historical cooperation with, for instance, NZV shows. This historical newspaper path has been expanded over the years and still represents the key activities within the group. However, as a consequence of failure on this path in entering the East German market, a new path developed further abroad. It was the new path of internationalization. Compared to other German media companies MRP went into foreign markets early and became successful. The internationalization process has become an elementary part of MRP. There are very different activities found on this new path. Whereas the activities in the Czech Republic are very large-scale and include several media outlets, the activities in the Netherlands or Poland are rather small. Furthermore, there is cooperation across different units and sections, e.g. journalists, albeit not frequently, cooperate with their colleagues in Prague. But it also concerns cooperation in functions such as printing and distribution. Moreover, the direction of this cooperation is not just one way from headquarters to the periphery, but in both directions as several managers in both Düsseldorf and Prague underline. That the international activities are not a little side project, but represent a new path which runs in parallel with the historical path, can also be seen in that Karl Hans Arnold works actively with them, particularly in Prague. This indicates that the activities are also well anchored on the ownership side. The owning families were also present in Prague when the new office building was inaugurated.

One aspect which is not directly part of this duality but is nevertheless of relevance is that all interviews had slightly varying stories about founders and foundation. This was most apparent in regards to the subtitle of RP. Interviewees seem to care about this and are maybe even proud of it, but a certain idealization cannot be denied. They describe the motives as important but also bound to the historic context.
The last duality, I presented is independence-dependence. In its first years, RP was a licensed newspaper that appeared only under the formal supervision of the British military government. During these years, the circulation, content, format and days of publication were strictly regulated. These obstacles to acting as an independent company disappeared after the license era finished. RP managed to take advantage of the environmental conditions and was ready to face competition when the old publishers were again allowed to issue their newspapers. Unlike many other licensed newspapers, RP became a success story. Anton Betz and others argued that this was due to their clear denial of being a party-newspaper of the Weimar Republic type. The destiny of the two other Düsseldorf-based licensed newspapers certainly supports this view. Political and financial independence were two founding ingredients that made it into the current general principles of MRP. However, the independence is not all encompassing. In order to save costs and focus on the journalistic work, MRP gave up its independence in certain administrative functions which were amalgamated with two competitors. With regards to one cooperation partner, W. Giradet, there exists a mutual dependence, since both have mutual shareholdings which allow both parties to sit in the respective highest governing boards. Both are therefore familiar with the numbers and plans which are discussed and approved by the respective organs. Thus, MRP follows a selective strategy of focusing on certain areas of independence but joining forces in non-prioritized areas, which leads to complex interdependencies. This shows a duality that is part of the organizational reality.

The focus on financial independence can potentially be at the expense of journalistic quality, although journalists do have a very strong legal position due to the freedom of press which is guaranteed in basic German law. The value and meaning of the journalistic mission has changed over the years. Based on documented quotes from the founders, the newspaper’s mission was to rebuild democracy in Germany. The watchdog function which was postulated by the British was very central. This journalistic mission is still present in the second generation of owners who are also publishers, i.e. Esther Betz, Gottfried Arnold, Manfred Droste and Irene Wenderoth-Alt. Based on the voices of the third generation, it appears that the journalistic mission is still present but the newspaper is not the only or central outlet for it. Other media outlets, either online or other newspapers, become more present and need to be equally treated. References to the subtitle of RP found entry in the general principles. The reasons may be manifold. The organization has become a media group with many different units. This however, reveals another dilemma faced by RP: how to relate to the political party it should represent? Some of its founders were also co-founders of the political party. Anton Betz claims that he had made the decision after his experience in Saarbrücken, that newspapers should be independent from political parties. I presented many quotes which show the intention of politicians to influence the direction of the newspaper and the selection of its editors which were all denied by Anton Betz and his colleagues.
To my astonishment these efforts from members of the CDU to influence the RP were not limited to the early days of foundation or the license era. Rather, even the chancellor Adenauer did not resist trying to influence the newspaper once RP had gained a reputable position. This dilemma was certainly also due to its subtitle, e.g. the identity claim which referred to ‘Christian politics’. Eventually, the subtitle was changed, albeit not substantially. The words were kept but the order was changed. By moving ‘politics’ before ‘Christian’ it could be interpreted as clarified that it was not ‘Christian Politics’ which was in focus for RP. However, it could also be seen as a marginal change. Moreover, the key people did not change. Current publishers mostly do not see it as important but there are also indications that it must have caused some debate when the decision was taken. Notwithstanding, the subtitle is still present today and some of its meaning, e.g. the reference to Christianity, has found entrance into MRP’s guiding principles.

What role do the dualities play in the actual organizational identity construction?

Eventually, the dualities in MRP portray a family-owned media organization that often balances those dualities through the efforts of owners and managers. The dualities characterize the organizational identity of MRP. Organizational identity here refers to the understanding of organizational members. I also contributed with my interpretation and sense making of the responses to the understanding of organizational identity (Hatch & Yanow, 2008). The ownership structure supports dualities. For instance, the duality of formality-informality can be traced back to ownership. In order to maintain their control of the organization, the owners have established formal procedures which regulate the relationship between the senior management team and the owners. In other words, the dualities are the main ingredients of the identity construction. Due to the nature of dualities as interdependent and interwoven, identity construction is an ongoing process which means that the management, and even more so the owners, balance different goals. For instance, by entering into cooperation with partners they can, on the one hand, share costs, which, on the other hand, allow them to focus on other activities. By drawing on historical paths, the owners and managers can establish some sense of continuity which also allows them to follow new paths. It is not old media (newspapers) or new media, instead it is both. This can be seen by the close cooperation between the editors in chief of RP and rp-online, who participate in each other’s editorial meetings and substitute for one another. By saying that Düsseldorf and RP are the nucleus of the organization it gives more acceptance among the employees for other units, for instance that in Prague. Due to the direct involvement and presence of Karl Hans Arnold the importance of Prague can be demonstrated to the employees, as well as anchor those activities better among the owners.

How organizational members and in particular owning family members construct organizational identity is discussed in more depth and in comparison to Stampen in Chapter 7.
6 Stampen

Stampen portrays itself as a growing media group and one of the biggest owners of newspapers in Sweden. Originating from the Gothenburg-based Göteborgs-Posten (GP) Stampen is a rather new player in the national Swedish media market. In 2005, the GP-group changed its name to Stampen Group. One of the reasons was the acquisition of the Centertidningar, the newspaper group of the Swedish Centre-party. Sundin (2009) notes that the acquisition increased Stampen’s share in newspaper circulation from 7% to 16%, all over Sweden, which to his surprise did not cause a great deal of turmoil even though three independent newspaper publishers disappeared. The ownership of Stampen AB is shown in Table 6 below. It is noteworthy that unlike the German case there is a differentiation between voting rights and the equity share. However, in both categories Peter Hjörne and his family hold the absolute majority. In addition, Marika Cobbold, the second biggest owner, is a well-known author of popular novels and the sister of Peter Hjörne.

Table 6 Owners Stampen

<table>
<thead>
<tr>
<th>Owners</th>
<th>Voting rights (%)</th>
<th>Equity share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peter Hjörne with family and company</td>
<td>74</td>
<td>65</td>
</tr>
<tr>
<td>Marika Cobbold family</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>Sven Nordgren with family</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>Others</td>
<td>2</td>
<td>7</td>
</tr>
</tbody>
</table>

The group had an annual turnover in 2009 exceeding 5 billion SEK. In table 7 below the development of the turnover from 1997 to 2007 can be seen (Adapted from: Harrie, 2009, p. 17):

Table 7 Stampen revenue 1997-2007

<table>
<thead>
<tr>
<th>Stampen Revenue (millions EUR)</th>
<th>Change (%) 1997-2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>183 164 170 187 156 160 178 178 192 326 547 220</td>
<td>132</td>
</tr>
</tbody>
</table>
This shows that Stampen has more than doubled its revenue in 10 years. This is relevant as Albert and Whetten (1985) have argued that OI becomes an issue for instance in periods of extremely rapid growth.

Stampen has six business areas. Table 8 below shows these and describes the activities in each area. Especially in Stampen Media Partner are some activities outside Sweden.

Table 8 Stampen business areas and functions

<table>
<thead>
<tr>
<th>Business area</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>GP</td>
<td>Newspaper</td>
</tr>
<tr>
<td>V-TAB</td>
<td>Printing</td>
</tr>
<tr>
<td>Stampen Media Partner</td>
<td>Social media, corporate media, mobile media, retail media, outdoor media</td>
</tr>
<tr>
<td>Promedia</td>
<td>14 local newspapers in middle Sweden</td>
</tr>
<tr>
<td>Mediabolag Västkusten</td>
<td>5 local newspapers and 4 free weekly newspapers on the Swedish west coast</td>
</tr>
<tr>
<td>GISAB</td>
<td>31 free weekly advertising papers in and around Stockholm and distribution company</td>
</tr>
</tbody>
</table>

6.1 Origins of Stampen

According to information published on Stampen’s website Peter Hjörne started buying out minority GP shareholders through the newly established Tidningsaktiebolag Stampen in 1988. Peter Hjörne had become CEO of GP in 1985. In the following sections I present the development of Stampen over time, particularly from the start of GP in 1859 to the acquisition of the Centertidningar in 2005. I also present information on the Hjörne family over several generations from Harry to Peter and his daughter Josefin.

From Göteborgs-Posten to Stampen AB

The newspaper Göteborgs-Posten (GP) was founded in 1859 by David Felix Bonnier, a son of the Bonnier family who originally came from Copenhagen and made their fortune in Sweden by building a media empire.

“Göteborgs-Posten was published from 1859 every Wednesday and Saturday. The newspaper appears without major claims, or promises; its editors cannot boast that they possess great and experienced talent, but they shall find that in their knowledge becomes effective and useful. The limited space in the newspaper, of course, denies the newspaper to take a wider part of the discussions of today’s major issues.”

13 Quote taken from www.gp.se (own translation)
This quote is found on the website of GP. The regular editorials of Harry Hjörne and Lars Hjörne could be seen in the tradition of speaking of common things (Gelotte, 1999; Segerstedt Wiberg, 1993). The quote is presented under “facts of GP’s origin”. According to the website Felix Bonnier’s publishing idea was to reach a wider readership than GHT (Göteborgs Handels- och Sjöfartstidning), the then leading daily newspaper in Gothenburg, with a “cheerful” and easy to read newspaper.14 The idea of being different from, and an alternative to GHT was already present from the inception of GP. However, until Harry Hjörne became the owner and editor in chief in 1926 the newspaper experienced several shifts in ownership, and it was not at that time the number one newspaper in Gothenburg. For many years this was “Göteborgs Handels- och Sjöfartstidning” (GHT) (Engblom, 1993). When Harry Hjörne took over GP in 1926 he introduced many changes and by 1932 the circulation of GP was higher than that of GHT. By 1973 GP was the only daily newspaper in Gothenburg.

Engblom gives several reasons why GP became the biggest newspaper in Gothenburg. Even though he agrees that Harry Hjörne had a major impact he also highlights other aspects. He points to a project to establish a Swedish-wide newspaper consortium in the 1890s. This consortium owned the majority of shares not only in GP but also Stockholm-Tidningen and Dagens Nyheter. Engblom claims that even though the consortium did not last long, it had a lasting impact on GP, establishing its political orientation as a liberal newspaper (1993). To clarify, GP was a morning newspaper, whereas GHT was an evening newspaper. At the beginning of the 20th century there were two morning newspapers, GP and Göteborgs-Morgonpost. The owners of GHT also owned GT which was the second biggest newspaper after GHT in the 1920s. According to Engblom, they did not bother to enter the morning newspaper market although they had a steadily increasing circulation. Both morning newspapers had financial difficulties, but the dominant company in the newspaper market was not interested in acquiring GP which was in fact for sale in 1926. When Harry Hjörne, who was second editor at that time, finally took over the newspaper the circulation was approximately 40,000. Harry Hjörne has claimed that GPs success was based on the ideas of 1926, namely more popular content, simple language, a cheap price and an effective distribution system. He also mentions “workplace autonomy ... as one of the foundations of the GP-miracle.” (Hjörne, 1965). Hjörne, when still second editor, agreed with a union representative that once he owned a company he would introduce industrial democracy. Ingrid Segerstedt Wiberg (Segerstedt Wiberg, 1993) however notes that worker self-determination as part of the “ideas of 1926” slowly disappeared over time. Gustafsson and Rydén (2010) in their “History of the Press in Sweden” also point to a combination of reasons which led to GP’s success. They also suggest that Harry Hjörne had been underestimated. In

1973, under Lars Hjörne, GP acquired the evening newspaper Göteborgs Tidning (GT). This was the beginning of was to become Stampen.

According to information on the corporate website, today’s Stampen was formed as a consequence of the acquisition of the Centertidningar when the former Tidningsaktiebolag Stampen became Stampen AB. With this acquisition the focus on Gothenburg was too narrow, as the Centertidningar included newspapers in several parts of Sweden. The acquisition was a hallmark of Stampen’s future and turning point in the corporate history of GP/Stampen.

In 1997, GP acquired Bohuslänningen which in hindsight was another milestone in the formation of Stampen:

“The contours of the Stampen Group began to take shape and there followed several key transactions in quick succession over the coming years. Most important was the formation of the printing group V-TAB and some years later, the acquisition of the VLT 2004 and Centertidningar 2005.” (Stampen, 2011, p. 31)

This is in line with what Peter Hjörne wrote in the Annual Report 2005:

“It was the year [2005] when GP Group, together with Mittmedia and VLT acquired Centertidningar and became Stampen Group.” (Stampen, 2006, p. 56)

Below I cite a conversation between Lennart Hörling, the current chairperson of Stampen AB and Peter Hjörne, quoted from the Annual Report 2008 that describes their view of the development of Stampen:

“Lennart: For a smaller player like NLT it was crucial for the newspaper’s and the company's development to seek cooperation. This was firstly in order to share costs for printing and distribution. Bohuslänningen had earlier soundings with NLT, but at that time we did not have the financial muscle for an acquisition. Together with Stampen it was possible. I must emphasize Thomas Brunegård’s commitment, visionary work and the courageous ownership of the family Hjörne.

Peter: From a broader perspective, we saw that the media had to be changed in order to develop in a good way. Portions of this we saw back in 1973 when GT was acquired and later sold to Bonnier. So we had thoughts of an industry that needed to consolidate to survive for a long time. Then you have to have luck, timing and skill. The acquisition of Bohuslänningen was well timed and we had a partner in Lennart Hörling who had the same values and wanted to build as a long term activity. We were both convinced of the usefulness of the patient capital.” (Stampen, 2009, p. 37)

Peter Hjörne, on being asked about Stampen, said:

“This is a ticklish question to answer, since we have recently started building something completely new: the Stampen Group. Stampen AB has been around for a long time and acted as an umbrella with one ambition. Now we have an umbrella with an actual role to play in the coordination of the entire group operations,” (Stampen, 2009, p. 37)
He continues:

“Quite obviously, the new acquisitions have a number of different cultures, including entrepreneurial ambitions, pioneer culture, internet culture or traditional newspaper culture. The core of the operation is Göteborgs-Posten, where we as a family have been involved since 1926 and, to some extent, created a culture through our actions as owners and our active involvement in the operation.” (Stampen, 2009, p. 37)

Here Peter Hjörne emphasizes the special role of his family in GP. He mentions their double involvement as active owners and in the operations. He continues to elaborate:

“Stampen came about for two reasons. Firstly, it was a legal construction which worked well for a family-owned business, and secondly, it was intended to provide opportunities for growth with shareholders. We reached a clear watershed when we introduced two separate boards of directors for Göteborgs-Posten and Stampen, and decided on which path to take. The VLT deal, the acquisition of Centertidningar and the positioning of V-TAB on the printing market were the steps which identify a real group and which, at the same time, provided a higher level of expertise for the companies and their staff.” (Stampen, 2009, p. 38)

This last quote clearly illustrates that family ownership was intended and wanted. Furthermore, Peter clearly points out that being a family-owned business does not mean that growth is hindered. He also points towards a more formal separation of different boards (roles), which further illustrates that he and his family play an active role in steering the group. In the next section, I will take a closer look at the Hjörne-family.

The Hjörne family as owners

Harry Hjörne, was born 1893 in Waukegan, Illinois, USA, started his career in the newspaper business as a teenager, and in 1912 started working for Norra Skåne, a local newspaper in the South of Sweden. Before this he was an apprentice in a shop and had no formal higher education. However, Harry attended different evening courses in different non-governmental organizations (Folkrörelserna) (Hjörne, 1965). Harry Hjörne also edited a newspaper for his regiment, when he was doing his military service. In 1918, he was recruited by GP and in 1926 he took over the control and ownership at GP. When he volunteered to take over the newspaper it had many financial problems and had had several changes of ownership. He had to raise new money by selling shares and taking over the old debts of GP (Hjörne, 1965). Gustafsson and Rydén (2010) explain that there were competing interests in taking over GP in 1926. GP was not yet dominant: the Gothenburg newspaper landscape was dominated by GHT. GP was initially founded in 1853 by Felix Bonnier, a member of the well-known Bonnier family. Bonnier’s were interested in taking over GP was not for financial reasons but for reasons of tradition as described by Gustafsson and Rydén (2010, p. 191). Torgny Segerstedt, who was the
deciding person in GHT, did not approve this intention and GHT was not willing to take over GP. Finally GP was offered to Harry Hjörne. According to Gustafsson and Rydén he was only the third or fourth choice (2010). Nevertheless, Harry describes this moment in his autobiography as being very emotional (Hjörne, 1965). Moreover, it was also a challenge as he committed himself to not receiving any salary in the first years.

Gustafsson and Rydén also refer to the “ideas of 1926” as part of the success of GP. They list not only a journalistic program combining commitment to family news and sports, as well as an easily understandable language, but also the importance of key personnel, a moderate pricing policy, distribution, and self-determined, focused distribution area. In addition, they also mention the failure of competitors to accept the challenge and the mistakes they made.

In his autobiography he describes what he calls the “ideas of 1926” which were the reasons for their success (Hjörne, 1965). Harry Hjörne mentions that one of the ideas was not to compete with local newspapers outside the natural distribution area (Hjörne, 1965, p. 148). He mentions cooperation with local newspapers such as Skövde Nyheter or Nya Lidköpings Tidning (NLT) where it was possible to have an advertisement in those newspapers and GP without extra cost. In this context Harry Hjörne mentions Folke Hörling, the owner and editor in chief of NLT, who was of great help to him. His grandson Lennart Hörling is today the chairman of the board of directors in Stampen AB. When Lennart Hörling was asked to become a member of the board Peter Hjörne commented:

“That Lennart Hörling accepted the assignment as member of the Stampen board has great significance for the group but also for me as principal owner. It is a reinforcement of a long well-developed cooperation between NLT and Stampen and between the families Hörling and Hjörne. Lennart Hörling has, with his skills and experiences, much to contribute to our Board of Directors and Group.”

Harry Hjörne was critical about newspaper groups consisting of several newspapers. He wrote:

“Offers to buy newspapers have been plenty. But I resisted the temptation. I am primarily a journalist and did not want to be disrupted. I followed the principle of one man, one newspaper.” (Hjörne, 1965, p. 149)

For Harry Hjörne it was a matter of principal that he did not acquire others newspapers even though he had offers. He saw himself as a journalist and one journalist could not run more than one newspaper in his viewpoint. According to his autobiography and what his fellows have said about him, he devoted all his time to GP.

He died 1969 and then his son, Lars Hjörne, became editor in chief and publisher. Ingrid Segerstedt Wiberg (1993) writes that Harry Hjörne intended...

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that his son Lars Hjörne should take over GP. She writes that the family intended to maintain control over the business. Lars Hjörne remembers his father telling him at the age of 15 or 16 when he was considering becoming a bartender "I was hoping you would start at Göteborgs-Posten, and I think you have the capability. But it is your life and your choice." (Gelotte, 1999). Lars Hjörne started at GP when he was 18 in 1947. He never went to university and did a traineeship at GP in its different departments. Lars Hjörne explains that his first story had already been published 1937 when he saw a drunken person who had an accident close to his home. He reported this to his father and Harry Hjörne published the story and paid a fee for the story to his son (Gelotte, 1999, p. 33). Lars Hjörne was editor in chief of GP from 1969 to 1989. Thereafter he took a position in the board. When he left the board of Stampen in 2009, Lennart Ohlsson-Leijon, as honorary chairman, published the following statement:

“It feels very special because Lars and his passion for the press in general and GP in particular have been on the board for 49 of the newspaper's 150 years. He has also been chairman for 25 years. This is a fantastic record that is hard to beat. But it's not just been 49 years, but a period in GP's history during which Lars largely been responsible for the further development of GP and Stampen into new media areas.”

In 1989, Lars Hjörne stepped down as editor in chief and was followed by Pär Arne Jigenius. Lars Hjörne wrote in a preface that his father Harry was Göteborgs Posten, and he was considered the “city's journalist” for the next half of the century (Segerstedt Wiberg, 1993, p. 33). Lars Hjörne has been criticized for inheriting not only the newspaper from his father but also the chief editorship. He remarks:

“Above all Aftonbladet and Dagens Nyheter were constantly at me with nasty small editorials. Along came Harning's book, then the revue Kvasten (The broom) at the Public Theater. It was hard, but in a way I can understand the criticism ... it's one thing to inherit a business, another to inherit the position of chief editor. But I emphasized all the time that I had not inherited the position. I saw myself as a servant. I was chief editor of Göteborgs-Posten. No one heard me speak in terms of ownership, but sometimes I exploited the fact that I was also part owner of the company, which benefited the editorial.” (Gelotte, 1999, pp. 66-67).

Lars Hjörne, based on his experience and the criticism he received, advised his son Peter to not do the same as he did:

“Peter, you must not expose yourself to all this crap that I've been taking. No one will question that you have inherited shares in Göteborgs-Posten. What some will question is that you inherited power over public opinion.” Initially Peter followed the advice, but he changed his mind - and it is really nice.” (Gelotte, 1999, p. 77)

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Peter’s sister Marika Cobbold, who is a successful novelist and also shareholder in Stampen, describes her childhood on her website:

“Ours was a liberal and tolerant household but some sins I had imprinted on me as beyond the pale, book burning and censorship of the written word were two of them. Hanging on his wall at his office at the newspaper my father had a quote from Voltaire. Translated from French into Swedish and then by me, into English, it went something like this: I may well not agree with your opinion, but I will defend to the death your right to state it.”

That the chapter Hjörne in the history of GP/Stampen is not finished can be seen from the following quote of Peter Hjörne:

“My oldest daughter Josefin took a place on the board of GP. It is an expression of the family’s ambition to continue to assume ownership responsibility.” (Stampen, 2006, p. 56)

In an interview with Caroline Lagergren, Peter says the following:

"What we agreed on in the family is that they - the next generation, three daughters, I have five, but two are very small, that the three are happy to continue as owners. Then I said that what we must agree on is that it places great demands on you, in terms of education, commitment, responsibility. It also gives quite a bit at the other end - that you should be happy. You may be sorry for all the hard work it involves, responsibilities and vulnerability, we talk about that for it is there as well." (Lagergren, 2011, p. 28 own translation)

Josefin Hjörne, Peter’s oldest daughter, commented on her board appointment in an interview in the Swedish newspaper DI:

“I cannot fool anyone, it is clear that my name has significance. There is no one who believes that I have received this board position because of my long experience and wisdom, and I am convinced that there are many who do not think I am worth it.” (DI 19/11/2007)

In a similar manner she describes her ambitions and intentions:

“Despite my age I have had time to accumulate a lot of knowledge, and I always look to find out what I need to know. There are many advantages of being young. I’m moving in a completely different world than my older colleagues and I can help with the perspective that they lack. It is very important to constantly look ahead and not get stuck in the old, especially in this business.” (DI 19/11/2007)

Peter Hjörne comments on his children and their role in the future of Stampen:

http://www.marikacobbold.com/about.asp retrieved July 24, 2011
“I never asked the children if they wanted to work at GP. I have, however, asked them if they feel ready to take on the ownership and the responsibility which comes with the task. That is not a question you discuss around the kitchen table. That's where you talk about social issues, what's happened at school, values, the Eurovision Song Contest, what's on television and all the other everyday subjects. Unlike some, I have never regarded the family business as an all-consuming lifestyle. Rather the reverse. The welfare of my children has always been more important to me than the company. I think this is something which has benefited the company as well. Children who are pressurised or dragged into a role, a profession or a business are unhappy and, therefore, not an asset to the company. Being unsentimental about this issue is, therefore, of benefit to both the children and the company. If the children had not been interested in taking over the business, it would have been better for them as well as for Stampen if they had gone their separate ways. But the children, as well as their two cousins, have now said that they are prepared to pick up the ownership baton and take responsibility for Stampen’s future. Needless to say, I am extremely pleased and feel that they and Stampen will be successful together.” (Stampen, 2009, p. 38)

Peter here and in other places is very clear about separating ownership and working in the business. As he has emphasized before, the creation of Stampen was something which allowed the Hjörnes to keep the ownership of GP but also to expand the business further. That he has this discussion with his daughters and that they accept this by joining different boards of directors shows their intention to keep the business ownership in the family. However, ownership is not something that just happens on paper.

By emphasizing that his, and implicitly his family’s intention, is not only financial but journalistic is in line with what Josefin stated. Peter Hjörne also repeats a conviction that already his grandfather Harry Hjörne had:

“We are also in place in Gothenburg. Who would have brought about local debate if there were only national newspapers? Many newspapers around the country tell completely different stories than those written in the capital.”

Thus in Hjörne’s view, voicing and taking a Gothenburg perspective are considered important. Critics have long been sceptical and accused the Hjörnes of having a monopoly on published opinion in Gothenburg. In the 1970s in particular, after the acquisition of GT18 criticism was fierce and culminated in a very harsh and polemic book by Harning (Harning, 1977) which was believed to be a direct description of Lars Hjörne and GP. Peter Hjörne was therefore asked in an interview with GT (30/1/2009) how the formation of opinion has changed over the years the Hjörne family has owned and led GP:

\[^{18}\text{GP acquired GT from GHT in 1973 and was sold to Expressen/Bonnier in 1998. Since 1998 GT, as well as Kvällsposten, are published as local editions of the national evening newspaper, Expressen.}\]
“In grandfather's time it was “one man - one newspaper” that mattered. There was a confusion of roles that is unthinkable today. He was chairman of the Chamber of Public Finance, while writing on the political processes and working closely with the city secretary Torsten Henrikson. A lot of questions were based on his personal views that were driving public opinion. It was like that at that time. When my father Lars took over, a year after 1968, an awful lot of hierarchies and power structures were changed. There was much discussion about workplace democracy and who would have power over the word. It was a different world. Today, not much has changed in terms of ownership. With regard to public opinion formation however, it is such a crowded media world that the rules have completely changed again. Today it is individual voices that can be heard. More and more pundits appear on television and online. This is a powerful democratization.”

150 years GP
In 2009 GP had its 150th anniversary since its first publication. The city museum of Gothenburg organized an exhibition, and even before the exhibition opened there was controversy. The journalist Janne Josefsson had been asked to contribute to the exhibition by the exhibition makers. He reported an incident that happened in 1976. At that time he visited a play in Gothenburg that included a critical passage about Lars Hjörne who was then editor in chief of GP. Josefsson was very surprised that the cultural journalist of GP did not include any reference to this in his review of the play in GP. Josefsson therefore wrote an article about “GP and Hjörne's lap-dogs in the cultural department”. He offered the article to GP but they refused it. Then he offered the article to the cultural editor of GT, an evening newspaper in Gothenburg which was also owned by the Hjörne family, and he accepted it. However, the article was shortened or censored by the editor in chief, Per-Arne Jigenius, who later became editor in chief of GP. Furthermore, the cultural editor who accepted the article was fired. Josefsson reported this story and the makers of the exhibition tried to decide how to use it in the exhibition. After some time they told Josefsson that they would not include his story in the exhibition. As a consequence, Josefsson contacted the editor in chief of the cultural section of GP, Gabriel Byström, to see whether he was interested in this story. He said he would check with the exhibition makers. Later he told Josefsson that the exhibition would take his story and therefore he was not interested in it. When the exhibition makers contacted Josefsson he refused to participate, however: “First you censor the story out of fear, now you change your minds due to fear of bad publicity.” (GT, 20/1/2009). The museum director Ingrid Lomfors, in responding to Josefsson's accusation, claimed that it is common to evaluate and re-evaluate exhibitions in this manner and she regretted that Josefsson refused to participate (GT, 21/1/2009). Pär-Arne Jigenius responded to Josefsson's accusations by saying that it was his decision to shorten the article and fire the cultural editor in chief (GT, 22/1/2009).
According to Jigenius, the article was just the straw that broke the camel’s back and there had been several previous problems with the cultural editor. He rejected the claim that he had consulted Lars Hjörne in this matter. The play that was shown and was the origin of the controversy was based on the novel *Tidningslorden* by Anderz Harning (Harning, 1977), which in turn was based on Lars Hjörne. When interviewed in GT Peter Hjörne did not think that journalists would easily comit to self-censorship “I think that the journalistic instinct is exactly the opposite. It takes an extra step to show that one “did not” restrain oneself and was “not” engaged in self-censorship that is rather what I learned than the opposite. And it’s a good instinct.” (GT 30/1/2009)

In another article Josefsson criticised the three main actors and maintained his criticism of the power the Hjörnes had in Gothenburg (GT, 1/2/2009). This story shows that owning and editing a newspaper has several implications. The success of GP and their owners from a business perspective caused reactions from another direction. In the following section I describe the acquisition of the *Centertidningar*, the newspaper group of the Swedish Centre-party.

*The acquisition of Centertidningar*

The acquisition marked a new era in what was previously a media house built on and around GP as its main ingredient. It challenged the owners and managers in Stampen. All of a sudden GP was no longer the most important asset in the portfolio. As the previous owner of the *Centertidningar* was the Swedish Centre-party it also meant a different political orientation, as GP is traditionally a “liberal” newspaper. Liberal in Harry Hjörne’s days meant the Swedish *Folkspartiet* a liberal, bourgeois party, which was in competition with the Centre-party.

On 25th October, 2005, the *Centertidningar* was acquired by a consortium consisting of Stampen, VLT, MittMedia Förvaltnings AB and MorgonPRESS Invest AB. The price was 1815 MSEK (approximately 1900 MEUR). The Stampen consortium outbid Schibsted and Göta Media, two other groups that were bidding for the *Centertidningar*.

“*When it became clear that the Centre newspapers were for sale and there was a negotiation process, we discussed the deal with our friends, the newspapers with which we already cooperated*” says Tomas Brunegård (DN, 25/10/2005).

“This deal is an important sign of the continuing development of media in Sweden. We must be able to combine local presence with industrial efforts. We have formed a new force in Swedish media and changed the media landscape structure.” Tomas Brunegård (DN, 25/10/2005)

In the official press release it was announced that the political orientation of the *Centertidningar* was guaranteed. Jöran Hägglund, party secretary, said that the centre-party would also have a say in the selection of editors in chief in the future. Another stated goal was the formation of a new big Nordic printing
company from the printing units of *Centertidningar* and GP/Stampen. This became later VTAB.

Tomas Brunegård commented: “The acquisition strengthens the local newspaper companies, increases competitiveness and ensures journalistic diversity. A sustained political support is beneficial for the development of newspapers, which coincides with the sellers’ wishes.”

Thus, the creation of a new strong printing company and the preservation of local newspapers were the stated motives behind the transaction. Formally, Mkt Media AB purchased all the shares in Centertidningar AB. MittMedia Förvaltnings AB owned 18%, Morgenpress Invest AB 10%, Tidningsaktiebolag Stampen 41%, and VLT AB (publ) 31% owned of Mkt Media AB. NLT (Nya Lidköpings Tiding) which is owned by the Hörling family is behind Morgenpress Invest AB. VLT AB was a publicly listed company in 2005 but in 2007 Stampen AB purchased the remaining shares and delisted the company. The company MittMedia is owned by two foundations, Nya Stiftelsen Gefle Dagblad (70 %) and Stiftelsen Pressorganization (30%).

Maud Olofsson, the Centre Party’s chairman at the time, commented on the transaction:

“This strengthens us all in the Liberal family”

This is important as the Centre party’s chairman herself considers the party as having a liberal orientation.

Summarizing, the acquisition of the *Centertidningar* brought many changes for the new Stampen. First, it substantially increased business and brought 18 new local newspapers as well as printing facilities. It also meant new partners for Stampen, through the consortium who made the acquisition. Furthermore, the guarantee of the political orientation of the acquired newspapers and the local orientation also meant change compared to the previously strong focus on Gothenburg. However, Tomas Brunegård suggests that motives for the acquisition also involved GP:

“It was important to create conditions to operate and develop GP, which was the largest part of our business. Local papers are too small to keep up with the rapid development of radio, television and the internet. Now we can share the development costs.” (DN, 25/10/2005)

In the new Stampen this acquisition led to the formulation of a new strategy:

“We believe in a society of independent, credible and courageous media. Stampen AB must be one of the strongest forces in the development of the Swedish media world. The newspapers the Group has interests in shall be the leaders in their market. The Stampen strategy also included the development of new digital opportunities and other channels of mass communication.” (Stampen, 2006)

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19 Quote translate from official press release. Retrieved from stampen.com
The acquisition of the Centertidningar AB was also seen as in line with the ambition to play an active role in the restructuring of the Swedish local news media. The reason for this was stated in the annual 2005 report as the fast development of the media industry, which led to the new formation of Stampen group. According to Tomas Brunegård this development was accompanied by a new organizational structure, as well as a new way of working with the board. Amongst other things, new leadership groups were formed.

Peter Hjörne writes in the Annual Report 2005:

“There are thus both journalistic and economic reasons for the acquisition of the Centre Party's newspapers. High journalistic ambitions and profitability are in fact dependent on each other, not opposites.” (Stampen, 2006, p. 56)

Here, Peter Hjörne emphasizes the dual nature of newspapers, by stressing the need to combine journalistic ambition with profitability. In hindsight, Lennart Ohlsson-Leijon comments on the acquisition as follows:

“When the moment came for the purchase of, for example, Centertidningar we were well prepared and could act quickly. In that case, the sellers, the Centre Party, were also satisfied with who bought the paper, and we had a clear strategy for how newspapers would develop within Stampen Group.” (Stampen, 2010)

**Liberal orientation**

It is claimed that GP, the biggest newspaper within the Stampen Group, is a liberal newspaper. It had held that orientation even before Harry Hjörne, who made the political orientation towards the Folkparti (FP) very explicit as he also represented the party in the city council of Gothenburg. Other newspapers also made claims with regards to their political orientation. A table in the appendix shows all newspapers that are part of Stampen and their political orientation.

As mentioned in the previous section the liberal orientation was mentioned by Maud Olofsson as a motive for selling the Centertidningar to the Stampen consortium.

As can be seen from the table the political orientation of newspapers differs. I will focus my explanation, on GP which was the origin of Stampen.

Olle Gellerman (Gellerman, 1998) describes how Harry Hjörne used the opinion pages of GP to support his political campaign. However, Gellerman also emphasizes that Hjörne was not an exception and it was common that editors in chief would have political assignments. He also claims that the readers would identify GP with Harry Hjörne. He points to the fact that Harry Hjörne made an agreement with his employees, represented by the labour unions, which gave them an ownership stake in GP. For Hjörne, this was a sign of industrial democracy and it led to a strong feeling of collaboration in GP between the employees and the company (Gellerman, 1998, p. 13). Hjörne himself was a supporter of the Swedish liberal party FP. Gellerman reports that after 1948 Hjörne was also identified with the party. He moreover accepted
advertisements from this party without receiving payment for them, whereas other parties were refused advertisements when there were agitating (Gellerman, 1998, p. 32). In 1950 Harry Hjörne accepted a nomination to the city council by FP. He became the leading politician for FP in Gothenburg. Gellerman claims that it was normal in these times for editors in chief to take an interest in local politics and Hjörne was strongly involved in politics and in GP.

When Lars Hjörne succeeded his father as editor in chief Gellerman describes it as continuity with regards to the liberal orientation of the newspaper. Lars Hjörne had worked at GP for 20 years before he took over after his father’s death. Gellerman argues that by selecting editors for the opinion pages and writing editorials himself twice a week Lars Hjörne secured the liberal orientation of GP (Gellerman, 1998, p. 47). For example the former party leader of FP, Gunnar Helén, was recruited to write editorials for GP. Gellerman also reports that along with the change of the editor in chief, GP also changed its political orientation from FP Liberal (Lib) (1998, p. 56). Gellerman, who was a member of the editorial staff of GP in the 1970s and 1980s, claims that this shift was to mark that GP is not a party newspaper of FP but is close to their liberal ideas.

Neither Peter nor Lars Hjörne were active in a political party as Harry was. However, in an interview with Caroline Lagergren, Lars said:

“You know the light blue, liberal stripes never go out, huh. So, we, well, have our heart there. And we know our John Stuart Mill ...” (Lagergren, 2011 my translation)

6.2 Dualities in Stampen

I identified dualities in Stampen which I will use to present the organization, its identity, and the organizational identity construction. The dualities are based on Nordqvist et al. (2008) and Achtenhagen and Raviola (Achtenhagen & Raviola, 2009).

6.2.1 Formality-informality

One of the key figures in Stampen is of course Peter Hjörne. He is very clear about his effort to separate different roles, such as owner and journalist. In the 2008 Annual Report Peter Hjörne says the following:

“I have sometimes, primarily in the past, been told that I show no interest in one issue or another, like my father or grandfather did. Times are different now, and I am convinced that it is central to success to respect the various institutions within the company, i.e. different areas and levels of expertise. If you want a really competent and committed staff, you must respect their
independence, responsibility and expertise. As an owner, I can’t keep a finger in
every pie. It would just create confusion. There is a fundamental idea that
people want to perform well. They want to take responsibility and do not,
consequently, need to be regulated and controlled in every detail. Delegation
and decentralization are very powerful concepts, since a large number of people
become involved rather than a select few.” (Stampen, 2009, p. 38)

He continues to describe his role on the board of directors:

“I am the Vice Chairman and my role is to be active, take a long-term
approach and provide a driving force. I must also work in close partnership
with the Chairman, Lennart Ohlsson-Leijon, and with the CEO, Tomas
Brunegård, as well as with the other members of the Board. Neither Lennart
nor Tomas would be happy for me to use my ownership in a heavy-handed
manner. They would simply say thank you and goodbye! I have worked with
Tomas since 1996, and even longer with Lennart. This partnership works very
well, since we are all clear about our individual roles. My aim for Stampen’s
Board has been to find a combination of strong individuals with a high level of
integrity, where personality can be every bit as important as expertise. To create
a Board where a difference in opinion is permitted.” (Stampen, 2009, p. 38)

In drawing a parallel to his father and grandfather, Peter Hjörne presents his
way of dealing with tensions which can arise from an overlap of roles in family
firms. Peter has apparently found his solution to the problem of role overlaps
and the expectations thereof, by emphasizing formal roles. However, this does
not mean that he wants a very formal board, but that the board members have
a combination of integrity and expertise. Therefore, it is interesting to look at
his daughter Josefin and how she sees herself. Josefin Hjörne Meyer comments
on her role on the board:

“Despite my limited experience – I have, after all, only spent two years on
the Board of GP – I feel that there is a clear atmosphere and that the Board is
dynamic and has many exciting discussions which guide the work forward.”
(Stampen, 2009, p. 38)

Being asked about her motives and reasons to join Josefin says:

“When my father asked me if I want a place on the Board of Directors, the
obvious answer was ‘yes’. I have been interested in doing so for a long time,
and this has been reinforced during discussions with my father and grandfather.
But I also feel that I have to earn my place on the Board. I feel that the best
way to do so is to contribute a young person’s views, as well as my own
experiences. I have studied media and communication at universities in the
USA and Sweden, and I worked in recruitment, primarily in the media sector,
before I took parental leave…it’s more about a genuine interest in developing
the family business, and the fact that the media industry is fascinating and a
great area to work in.” (Stampen, 2009, p. 38)

Josefin highlights her formal qualifications but she also describes the family
business aspect by referring to her father and grandfather. Obviously, the
business is at times also discussed within the Hjörne family. Even though she
does not say it directly, there are underlying tensions since she got the board position because she is the daughter of Peter, and she therefore seems to emphasize her formal qualifications and experiences. In this regard it is interesting that she has served on GP’s board before. She thinks she has to ‘earn’ her board position. This indicates tensions that Josefin at least feels exposed to.

These were all statements from members of the owning Hjörne family. But how do others perceive the owners in general and the Hjörnes in particular?

Mats Säther, who is a union representative on Stampen’s board and works at GP, says “I got to know Lars Hjörne, Peter Hjörne and now there is Josefin Hjörne. There is no problem… It’s a good thing. They say it is [a family business], they act like it. They are long term owners and it is stable.”

However, Mats is also a little concerned for the future: “Before it was more like a family business. The family thing is not so strong any more. These are new times, I am not sure if it will be a good thing.”

As Mats has been working at GP for a long time he knows Peter’s father and grandfather. It seems as if their style was more on the informal side, more like a ‘family business’ as he describes it. Furthermore, he indicates the potential for tensions which might not be present currently but may arise. Apparently, Mats and many other interviewees connect certain stability with GP and Stampen being a family business owned by the Hjörne family.

However in relation to this, both Peter Hjörne and Lennart Hörling are very clear that Stampen should remain a family business as the following dialogue reveals: “Can you feel the fear or see a danger of growing too quickly or become a too big player?”

Lennart: Not as long as Stampen is a family business. If we end up in the stock market, there could be such a risk, but there is no scope for an IPO. This type of media company is well outside the stock exchange, because our actions are based on a value basis and that we have to play an important role in society.

Peter: I’ve never doubted that we were right there with what we wanted to create. The only thing that could put a spanner in the works is if we become arrogant and thought we can walk on water. To dare and combine a proactive attitude with modesty is a good mix.” (Stampen, 2011, p. 32)

Peter Hjörne continues to argue that they are a professional business: “…I have to say that I feel that both GP and Stampen have, in most respects, worked professionally for a fairly long period of time. But we have been learning on the job. Today, we have numerous people of the Board of Directors, management teams and staff who are extremely successful in and dedicated to their jobs, and who demonstrate true professionalism.” (Stampen, 2009, p. 38)

So both, Peter Hjörne and Lennart Hörling emphasize that Stampen is a professional business and Lennart Hörling even emphasizes that it is a family business. But neither are positive about being listed on the stock market. This
might be related to previous experiences with VLT AB, which was listed on the stock market. However, that company was delisted in October 2008 after a solution was reached with minority shareholders and the remaining minority shareholders were bought out for 239 SEK per share.20

By emphasizing and implementing formal structures, Peter especially is eager to underline the professionalism of Stampen. This professionalism is presented as the result of a learning process which is, in his view, supported by formal structures. That informality is also important and often associated with family businesses should not be forgotten.

This not only exists through the formal ownership but also through the identity claim of being a family business and is present in the organization through Peter, and his daughters Josefin in Stampen and Cecilia in GP. However, there are other shareholders outside the Hjörne-family and even the unions are minority owners in Stampen. But Peter Hjörne and his daughters consider themselves not only owners; they further consider themselves to have journalistic ambition. Peter considers it very important to be conscious about ownership:

“The shareholders’ forum is the annual general meeting, which appoints the Board of Directors. This is where the owner should act, not in different places and through different forums. The fact that the principal owner is also a member of the Board of Directors is something I regard as an obvious strength. I am often asked how I can maintain a hands-off approach, and the answer is that it is not difficult at all. It is an approach you either believe in or you don’t.” (Stampen, 2009, p. 38)

Therefore, the ownership is also seen as something ‘professional’. However, as Tomas Brunegård explains:

“We have our project…because we have corporate governance in place where we, from the owner’s side… When we met Peter we started the project because one problem with this is that the company has evolved or developed faster than the ownership structure. So the ownership structure is a balance. It is not top-down. It’s a balance. You need to keep your eyes on both. The guys in IMD, who we work with, see this as a, they call it the, well they talk about family and business if you are a family company and they…you need to have shared agenda or a…they have such a good expression for this. Parallel processes.”

Following Tomas ownership also requires a lot of work and he gives the example of the involvement of IMD21 in their ownership work. Within GP, which has been the domain of the Hjörne’s for the last three generations, their visibility and feedback, which is currently mainly from Peter, is appreciated.


21 IMD is a business school located in Lausanne, Switzerland, with strong professional education expertise (See: www.imd.org)
However, there have been problems due to Peter’s several roles. Cecilia Krönlein says:

“…in the early 1990s when Peter has been CEO, before becoming editor in chief of the newspaper. In the beginning when he arrived as editor in chief there were many who mixed up roles. I think it was inconvenient for him, it was difficult for many around him.”

This illustrates the difficulties in an organization that is signified by dualities. This was probably also a learning process for Peter Hjörne as today he is very clear about separating his different roles as he stated in the Annual Report 2009 (Stampen, 2010):

“Owners and management must show respect for the roles and “institutions” of the group.”

As this and other examples show, Peter Hjörne is very interested in running the business professionally. He does not mind that it is called a family business but he does not agree with the often implicit connotations that it is unprofessional. One of the activities that Peter initiated was taking the program at IMD into ownership. Many have also named Tomas Brunegård as an important person in the creation of Stampen. Together, Peter and Tomas have built the biggest newspaper company in Sweden. Moreover, they are very active in ‘professionalising’ the organization. There are numerous activities such as leadership groups and trainings, and a new trainee program which helps to define and stabilise the group and its complex structure. As can be seen from these examples, and the examples in previous sections, it is not just the managers but also the owners who work with the dualities. They draw on traditional elements as well as new ones. By emphasising the family dimension they can establish continuity which gives stability in times of change.

How successful these efforts are in the organizational work can be seen from Cecilia Krönlein who talks about Peter Hjörne and his role:

“Then Peter of course also has his ownership role and in my perspective, I think that he is very good at seeing the difference between the role of owner and what he does in that role and what he does with the board, and the role he has as chief political editor.”

This was not always so clear in the past when Peter was also CEO. Cecilia describes the importance of the role separation from her point of view:

“It would create a lot, in the organization; it would create a lot of confusion in the editorial… [if he did not clearly separate his roles]. It could make Jonathan’s role very difficult if Peter was not clear about his role.”

Jonathan here is the editor in chief of GP, Jonathan Falk. Apparently, the clear role separation helps avoid tensions within the editorial work.

Tomas Brunegård explains how he is involved in the work with editors not only in GP but also the other newspaper within Stampen:

“Well normally in today’s structure we vary somewhat between myself and the editors in chief. We do gather once in a while and talk, and since I am also the chairman of the Swedish Newspaper Association I meet them frequently
through that. But we now also have a lot of editors in chiefs that are also the local VD [CEO]. We have a “tidningschefer” [a person combining the role of CEO and editor in chief]. So I meet them in that mixed role very often. But we do discuss editorial issues, questions, and structures pretty often. Because, especially in the phase where we are right now, it’s a challenge. We actually discuss what their role is, because the role is changing. It’s changing from being, you know, opinion leaders, you know, writers, big guys in the local communities, to much more handling editorial staff. So the role is under a lot of pressure. We can see that because they are the ones who are in the most vulnerable positions right now, I think overall in our structures.”

What Tomas describes here as challenges are in fact tensions which are due to the underlying duality. This statement leads into the next duality, that of being a media company, i.e. the commercial/journalistic duality.

6.2.2 Media company not screw factory (commercial-journalistic)

Media companies are also said to be host to tensions due to the dual characteristic of having a journalistic mission that has to be sold in a market environment. As Peter Hjörne, interviewed in GT (30/1/2009), says:

“Private ownership is a good form of ownership if the owners are responsible, long-term and knowledgeable. Then there is a force of perseverance and patience. The power is clear. You know who takes the final decision. Decision lines are shorter. And it is not just profitability that is our driving force, but there are journalistic goals.”

Here, he explicitly addresses the dual nature of the media business, being profitable and following journalistic goals. Earlier, Peter Hjörne portrays Stampen as a media business but also relativizes its overall importance in a changing media world:

“It’s a big media group that has had great success in Sweden in recent years. From an international perspective, we are very small. Responsible yes, it is clear, since a large majority of Swedes still get some of their information from the morning paper, the group, we all have a great responsibility. This is a people industry. What we do in the best case, we do not have a big impact but rather a little and this is a responsibility in itself.”

So Peter Hjörne accepts the responsibility of being a media firm that publishes newspapers. Yet, he also points to the fact that they might be big in Sweden, but internationally they are still small. He also sees this responsibility as shared and not only for him but for the group. He further describes the duality of Stampen, being a media company and a business organization.

“Today, it is not other newspapers who are our main competitors for advertising money, but players like Yahoo, Google, free newspapers and many
6 Stampen

other media forms. How we adapt journalism to new media channels that are emerging is an important issue.” (Peter Hjörne, DI, 6/7/2007)

This is an illustration of the tensions that Stampen has to deal with as a media organization. Media outlets are diversifying and traditional business models are challenged. Tomas Brunegård, 22.1.2007, commented on the role of newspapers:

“Newspapers have an important role, not least from a societal perspective, and therefore we have that motive also in our interest that we contribute to the continued development of good society.”

This is still a rather general statement. However, in light of more recent developments he comes to the following judgment:

“The major players in the Swedish media market are completely different and do not have the same direction. Stampen is probably the biggest experiment of all, and we were the bumblebee that should not be able to fly. Now, it appears that the experiment is progressing well and that we can actually fly with both power and precision.” (Stampen, 2011)

It is interesting that he calls Stampen an experiment and he also claims a certain uniqueness of Stampen compared to its competitors.

In the preface to the annual report the following statement can be found:

“The digital age creates a transparency in almost all relationships. It fits the Stampen Group who always defends the open and free society in which, not least; the newspaper has an important journalistic task.”

Again, Lennart Hörling and Peter Hjörne also emphasize the dual character of Stampen by emphasizing the family business dimension. Peter Hjörne wrote in a review in the Annual Report 2007 the following:

“Today’s Stampen Group is our answer – in practice – to the questions. We believe in journalism and we believe in local morning newspapers. But only on the condition that the papers cooperate in order to create more efficient, industrial structures and better development abilities for both traditional and new media and channels.” (Stampen, 2008, p. 33)

He continues to emphasize the shifting roles of traditional media:

“From a democratic standpoint and a diversity perspective this is a positive development. The powerful media monopoly of definition will be broken up and ever more people will have their voices heard. However, this places great demands of fresh thinking from the traditional media houses in the same way as it challenges traditional power structures, political organizations, trade unions and companies. We are living through a bona fide paradigm shift.” (Stampen, 2008, p. 33)

In the Annual Report 2006 Peter Hjörne wrote an essay where he asked:

“The really big question for the media industry in the longer term, however, is not whether the newspapers and television channels remain but whether journalism does.” (Stampen, 2007, p. 60)

He answers the question in the same essay as follows:
“I therefore believe in the opportunities for good journalism to assert itself in the future and I also happen to believe that the newspaper has many good years ahead.” (Stampen, 2007, p. 60)

Journalism is one aspect of the duality. The classic counterpart is the need for advertising but in Stampen’s recent development there appears also another counterpart, namely the electronic media. This is reflected in the concerns of Peter Hjörne, quoted above.

6.2.3 Independence-dependence: the partnership business

Stampen started cooperating with others early on in order to execute certain projects. The acquisition of VLT and Centertidningar was not possible for Stampen on its own, and, for instance, Stampen in 2003 formed a joint venture with Lидköpingspress, Morgonpress Invest, in which Stampen holds 51% and Lидköpingspress 49% (Stampen, 2006).

Tomas Brunegård explains his view on this:

“Because then, if I fill this in, when you talk about newspapers you have stable ownership with other newspaper companies and so on, but when you look at our new business, there we have partnerships with entrepreneurs. People that are founders of their…familjeliv or svenskarfuns [Swedish websites] and so on. And that is a different structure because that is private. Private guys, private persons and they are not used to this institutional life which we are much more like.”

The close cooperation between Stampen and NLT existed before that however. Harry Hjörne described Folke Hörling, the owner and editor in chief of NLT, as someone who helped him (cf. 7.1.2). GP had developed joint advertisement sales for, amongst others, GP and NLT. In the second half of the 1990s an even closer cooperation was introduced. In 1996, NLT had to find new capacity for printing their newspaper, as previous partners were no longer available. Lennart Hörling as editor in chief of NLT wrote:

“Early on we looked at Göteborgs-Postens printing. There we were welcomed and thus the choice was easy. First, there is GP’s chief editor and owner Peter Hjörne and his team - despite the difference in the size of the papers – who stands for values and a vision of the newspapers and newspaper publishing that we at NLT appreciate and share. Secondly, GP has a highly efficient and modern printing facility in Backa and unique expertise in the field. In Backa, they not only print Göteborgs-Posten and GT, but also large editions of Svenska Dagbladet, Arbetet Väst and Expressen. Now NLT is added to the band.” (Lindström, Gustafsson, & Weihard, 2003, p. 214)

As mentioned, the ties between NLT and then GP have been close for some time. As NLT was not published every day it was possible for subscribers to receive GP on those days instead. In 1996, GP and NLT together became owners of Bohusläningen in Uddevalla. In the 100th anniversary book it is written that it was “…a very deliberate strategy, to safeguard one’s own independence
through alliances at a time when locally-owned local newspapers disappeared in the Swedish newspaper market.” (Lindström, et al., 2003, pp. 214-215)

So alliances as they call them at NLT, or partnerships as they say at Stampen, have been identified as a suitable strategy for survival in the changing newspaper landscape. Tomas Brunegård who was not been active in the newspaper industry before he came to GP explains:

“…in the past we had a strong family ownership which is pretty rapidly shifting. So that is one thing. To work with a generation of families is also very different from other types of companies.”

Here, again the family business aspect comes into the picture. In a conversation between Peter Hjörne and Lennart Hörling in the Annual Report 2010 they discuss the partnership perspective in relation to family businesses as the following figure 8 illustrates:

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“How common is it that the family businesses ally with other companies or for that matter with other family businesses?

Peter: How common it is, I have no idea. I defend myself against the image of the family business being something which is handled at the kitchen table as an internal matter for the family. For Stampen it has been a matter of course that we act professionally at all levels.

We must have the best, most talented and motivated employees in all positions and at all levels. It is important that both management and board of directors are composed of independent individuals with strong integrity. They do not want an owner as a burden in the operational work. Owners and management must show respect for the roles and “institutions” of the group.

Lennart: I have a slightly different starting point as a representative of a small family business. I know that many family businesses neither want nor dare to look up. But to survive in the media industry requires smaller players to find alliances, synergies in printing and distribution, we have already highlighted that the need is perhaps even greater when it comes to sharing the costs of developing new technologies.

I can only conclude that the past 15 years with Stampen has been the most fun in my career as an entrepreneur and publisher. I’ve had fun every day and got lots of inspiration that one may not get at the kitchen table.”

(Stampen annual report, 2010, p. 32)
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**Figure 8** Peter Hjörne and Lennart Hörling on family business cooperation

In this short dialogue (see figure 8) several things come to the surface between Peter Hjörne and Lennart Hörling. First, Peter is very critical towards family business images that may indicate a non-professional approach to business. Instead, he underlines the professionalism of Stampen, which for instance means having independent directors. Almost in opposition to that view is
Lennart Hörling’s interpretation of the term family business. Both agree that alliances and partnerships are a suitable way of securing independence in the future, even though there may be dependence on partners.

Tomas Brunegård elaborates his view on partnerships:

“There are many owners. You can’t say that the Hjörne family, who dominates Stampen AB, owns everything when it comes down to the subsidiary because it is based on partnerships. We have strong partnerships with special agreements around them. Even if you are the top owner, you don’t dominate the scene totally. We think that this is an important idea. This is so important in how we run this company that it’s not…it’s very much to buying into the idea where you have various stakeholders. So the owners in the parent company Stampen are one of the stakeholders but you have other partners that are also stakeholders. And there are also local stakeholders. This is much more built around a stakeholder model than anything else. The role of the owners in the top company is of course to secure for themselves but also for the senior management that there is a basic structure. That there is, that there are values that are, what do you say, that are long term. That there is something, some sort of a clear focus. Even though we have this more networked, or collaborative style of running the company.”

What Tomas describes can be seen as a shift in the ownership structures. Due to the need for a manageable ownership structure also changes the responsibilities and tasks for the top-management and the owners. Thus, there are tensions as a result of the ownership structure which influences the level of independence. As he explains, even the Hjörne’s who are the absolute majority owners of Stampen do not have total independence but they are also dependent on other shareholders and partners within the group. That this creates tensions is likely and the way Tomas describes his role and his approach of dealing with the different partners shows that he has to work with it continuously. But of course, this does not have to be negative following Tomas Brunegård: “The fact that we are perceived as a network company that can attract new employees and entrepreneurs in the media. Stampen should be the most attractive company to work for the Swedish and Nordic media market.” (Stampen, 2011) In the annual report 2010 Stampen is portrayed as an ideabuilding22. In an interview with Peter Hjörne (PH) and Lennart Hörling (LH) they describe the process and underlying ideas behind the creation of Stampen. They both point to the joint acquisition of Bohoslänningen and the creation of VTAB as milestones on the way to Stampen. Furthermore, they describe the dualities inherent in their business.

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22 ‘idebygger’ in Swedish
“Stampen’s underlying idea and partnerships within the media industry are not common. What is the key to success?

Lennart Hörling: For me who has been able to observe the operation from outside, it is absolutely clear that the very concept of alliances was well thought out and anchored. Tomas Brunegård and Peter Hjörne had done their homework thoroughly and there was a business model that worked from the beginning and still does.

In the beginning many in the industry doubted our success. Göteborg-Posten was by virtue of its size, almost threatening, but when people saw that it worked out between me and Stampen, it was an icebreaker that made it easier to build alliances. They also found that I liked it and that our activities as a publisher and commercial enterprises showed a positive development.

Today, Stampen gets lots of requests for new collaboration with other players and respect at both national and international levels. Then it is at least as much fun to see that talented people of all ages want to help build Stampen Group.

Peter Hjörne: It may be useful to remember the proper acquisition, we had never been capable of doing it on our own and therefore we had to sell the idea. Sure, we had to endure jibes at the beginning but now that we have had to cope with a tough recession, we have undoubtedly proved that we passed the test. Or as the English say: The proof of the pudding is in the eating!

You have to show respect, when everybody is on board. We must be long term oriented and honest so everyone can do good business. Being mutually generous, I think is crucial in most relationships.

Part of the underlying idea is about being strong together. Having a rational production also creates a means for investing in journalism, even if we also aim to be effective in this area.

We survived the recession as we had started to rationalise a long time before. It also provided the opportunity to simultaneously invest in development projects.” (Stampen annual report, 2008, p. 37)

**Figure 9 Stampen idea-building**

Based on this small conversation (see Figure 9) it seems that Stampen, by following its partnership-model, has strengthened its independence. That partnerships had earlier been present in GP/Stampen has been mentioned before. In the next section I therefore elaborate on the duality of historical paths/new paths.
6.2.4 Historical paths-new paths

This duality refers to the heritage of an organization. A new path which emerged rather recently is internationalization, developing together with the historical path which was focused on Gothenburg/GP. As described earlier, the Hjörne family is seen and sees itself as the owning family who gives direction to Stampen. The historical heritage passed on from Harry Hjörne is GP. However, Lars Hjörne has already started altering the direction, not just in terms of editorial policy but also in terms of expansion. Whereas Harry followed the “one man one newspaper” doctrine Lars expanded the organization through acquisitions. When Peter followed his father as CEO, he was therefore continuing, together with Tomas Brunegård, on the historical path of growing through acquisitions. The acquisition of the ‘Centertidningar’ somehow finished the acquisition process within Sweden. In Chapter 6.1 Peter described the beginning of the historical path of acquiring other media through the first acquisition of GT in 1973, even though it was later sold to Bonnier. A new path, moving outside Sweden was therefore decided. But this new path goes along with the acquisition process because Stampen is not acquiring other companies abroad. Instead, they want to introduce their successful business models from Sweden together with local partners on international markets.

Internationalization

In the 2008 Annual Report Stampen presented five focus areas, one of which was internationalization. Under the heading “Globalisation is a Fact” they presented the motives behind their internationalization efforts:

“Thanks to strong technology, the internet and creative business development, the US company, Google, and its less famous colleagues can reach people in almost all areas of Stampen’s local market. […]

In 2009, an internationalization strategy will be drawn up for Stampen, complete with an evaluation of Stampen’s strengths. Can strong Swedish internet concepts work abroad? Can VTAB’s knowledge of a structural approach be applied outside Sweden? Even the strong Swedish local paper model may succeed in a different part of the world.” (Stampen, 2009, p. 11)

Tomas Brunegård comments on the internationalization as follows:

“Yes. We have two things that can grow outside Sweden, that’s obvious, because Sweden is becoming too small for us. We are not going into hybris. What is the word for that in English? Hubris I think it is hubris. And that is that we need to, I mean I have been in the hamburger business. I have seen how Burger King grew out of a hamburger restaurant in Miami and that was because they found a concept. Metro is the same thing. Dagens industri has done the same thing but it is not as obvious as Metro, and you can tell that when you go to websites and so on. They are getting much more into the global media world. You can tell from Facebook, Flickr or Google or whatever that it is wide
spread. And we think that some of our concepts are so good that they could be adopted in other local environments that we are in, and that is what we do, as we are pretty good in running partnerships, we do this in partnership with other people. That’s why we opened up a partnership in China, one in Poland… in Austria we signed a contract and we might do it, as I said, in Portugal, and Norway also. But that is because we do believe that future media companies will have a global concept, global thinking. You can’t just sit at home, trying to dominate one geographical area, because you won’t stay competitive just being local.”

From his viewpoint, the internationalization offers new markets that are already occupied in Sweden. I argued before that an acquisition strategy has already been followed in the past. However, the internationalization process follows a new path because here the idea is not to enter foreign markets by acquiring companies but by drawing on business concepts that already exist within Stampen. As in Sweden they use partnerships to develop these international activities. Tomas continues to elaborate on further options for going international:

“It is so obvious that printing can be taken abroad. We export a lot of printing stuff to northern Germany, Denmark, Norway, Finland and so on, so we could. It is very easy for us to set up the printing structure. Buying newspapers is another thing. I followed the WAZ group, I’ve seen a lot of what the Germans and the Austrians and the Swiss do, but also the Bonnier group, and Schibsted group. We have a lot of good examples. But it is a lot tougher when you get into buying newspapers because then you get into a fight. For example if we went into Germany we would get into a fight with German publishers and they would legislate, control through regulations and so on. In my thinking is it is much better to get into areas where no one is trying to dominate in that way, as they did in the past. Whether this works or not, let’s see. Part of the problem is also that newspapers have been too highly valued. So we don’t want to…cash is a scarce resource. […]That’s why websites and printing are not the same, other companies are there.”

Thus, according to Tomas internationalization offers a new path for Stampen. However, he is also very conscious about that there are selective areas which are suitable for Stampen. The new path however is in line with their historical paths of building on partnerships as well as drawing on their own ‘historical’ business models. Some of these models have only recently been acquired by Stampen. Yet, there are these ‘new’ and ‘old’ paths within Stampen. In an interview for the Annual Report of 2010 with Lennart Hörling and Peter Hjörne the internationalization is a topic:

“Peter: Of course we should. Idea-building is about finding the balance between large and small, old and new, mature and entrepreneurial. One way is to invest abroad. It is difficult but rewarding, then we get access to other movements and ideas and we can contribute our knowledge. We want to grow and it is natural to expand abroad.
Lennart: It’s no secret that Stampen will double its turnover and operations in a few years. If that target is met then the Swedish market would be too small.” (Stampen, 2011, p. 32)

One of the first steps in internationalization was undertaken with ‘familjeliv’ a website that deals with issues about women, pregnancy and family life in general. The website belongs to the Stampen Media Partner unit which covers digital media activities. Stampen Media Partner has activities in several countries such as Sweden, Norway, Denmark, Finland, the USA, Poland and China. According to their website Stampen Media Partner has 200 employees and a SEK 320 million turnover. Today, ‘familjeliv’ is active in Sweden and Poland, and the concept was also introduced to the Chinese market as part of a joint venture.

During a trip as Lineus Palme exchange teacher to China I had the chance to speak with Lindy Ai, one of the partners in the Chinese familjeliv venture:

“Actually my partner Patrick, he was the original contact with Stampen, and you know Stampen’s business model. When they transferred from the traditional business media, they get into internet business. And they have this family life, which is very successful and also some other internet communities that are very successful in Sweden. So this gave them this experience and chances to transfer from traditional media to online media. And they wanted to get into the Chinese market and the initial idea was that they would try to copy the same successful story they had in Sweden to China. But unfortunately, it won’t be that easy. You know in Sweden, if you have 400,000 subscribers, or visitors, that means you are big, you are something. But in China, even if you have like, you know, a million visitors, that does not mean anything. So, anyway, that’s why … when they initially wanted to copy exactly the same thing they did in Sweden, Patrick told them that it wouldn’t work, unless they had a huge investment thrown in, maybe, maybe not. So we suggested they get into a real business that we call ‘the last mile solution’ for families, t second hand solutions.”

So, actually in China they have opened a shop where they sell second hand baby items, from cloth to furniture. They opened one shop in 2009 and they also have a website and a shop on ‘Taobao’ a Chinese website similar to Amazon or eBay. As Tomas Brunegård described it the internationalization process is first and foremost based on online concepts that have been proven successful in Sweden and by adapting it to the foreign market, Stampen plans its internationalization. Therefore, it also represents a duality between ‘Sweden’ and ‘abroad’. Swedish concepts are taken as a starting point in the internationalization. There are related initiatives on the Human Resources (HR) side, e.g. a trainee-program which was introduced in 2008 (see Figure 10).

23 www.familjeliv.se
6 Stampen

“In line with the industry's development, the demand for new skills is increasing. In 2008 a decision was taken about a comprehensive skills program and the hiring of trainees. The requirement that all vacancies be advertised internally has given good results.” (Bokslutskommuniké 2009)

Tomas Brunegård commented on the introduction: “Yes, so we have started a trainee program with three new trainees. They started a month or some weeks ago. So that’s fantastic. We do that in the worst of times when we are in the deepest shit we do this. [He refers to the economic crisis] We also started a leadership program. 120 people applied for the Stampen leadership program and we picked out 20. They will do a 6 week training internship or whatever is it called, with management in Lund, and they will probably spend a week in Asia studying the mobile development there. We are also doing that and the program will start in September. […]It is fantastic to do these things right in the middle when everything is like burning.”

The trainee program is part of a bigger HR program. Accordingly, it is an effort to handle the complexity and change that is ongoing in the organization and in the environment. It can also be seen as a way of dealing with the tensions which arise from the dualities within Stampen. Such a program is, of course, no ‘quick-fix’ rather it is a long-term approach. Their program mirrors the complexity of the organization as Jennie Engleson, one of the trainees explains: “Getting to know the surroundings of the companies, what they do, how they relate to each other. So we get to know the companies, and also have leadership, management training and that kind of thing. We have a common project that we’ll do together”

She continues: “Well, actually I’m employed by Stampen. I’m here for all the newspapers. We have a few. So I’m actually working for all the newspapers, but I’m sitting here at GP because it’s the biggest one. And there’s a project - the Stampen project that I worked in.”

Figure 10 Stampen trainee program

6.3 Within Stampen AB: an interpretation of dualities

In this chapter I have presented the story of Stampen. Stampen as an organization is rather young but it still has a long history because GP has an organizational history of over 150 years.
Even though they are not the founders of GP, the name Hjörne has been connected with GP since 1926, when Harry Hjörne became owner. With Josefin Hjörne Meyer, the fourth generation of Hjörnes is active on the board of directors of Stampen, and her sister Cecilia is on GP’s board.

The organization has developed over several generations of Hjörnes. Harry, the first generation, basically saved the organization from bankruptcy, and his son Lars started a more expansive course. Lars’ son Peter, who is still active, initiated the next stage in the organization’s history. Together with Tomas Brunegård, they continued what Lars started and expanded the organization through, amongst other things, the acquisition of Centertidningar. This is notable not only from an organizational perspective but also from a journalistic perspective.

Currently, Stampen owns and publishes more than 20 newspapers in Sweden. The Swedish Centre-party still has a say in the staffing of editorial positions in their former newspapers. Traditionally, Swedish newspapers subscribe to a political orientation which is communicated openly. Through the acquisition of Centertidningar Stampen hosts newspapers that follow diverse political orientations. For instance, GP calls itself liberal but it has a history of more openly supporting the Swedish ‘folkparti’ of which especially Harry Hjörne was an open supporter and member (Gellerman, 1998). Many of the ‘new’ papers support the Centre-party. Although, Centre-party considers itself to be liberal it is a matter of fact that the newspapers have different political orientations.

There are several things which make me believe that the different political orientations cause tensions within the organization. One example is the introduction of tidningschefer, CEOs who are at the same time editors in chief. They are in charge of economic results as well as editorial content. They perfectly represent the tension that media organizations are exposed to in having a journalistic (political) mission but also having to fulfill economic goals. These tensions are nothing new per se but they require attention be given to both aspects of the business which must be balanced. When these tensions are “located” in one person, this person has to be careful in handling the duality.

However, there is not just one duality which creates tensions within Stampen. Nordqvist et al. (2008) have suggested that family businesses are prone to several dualities which they summarized as formality-informality, independence-dependence, and historical paths-new paths. All of these dualities are present in Stampen.

I start with the duality of formality-informality. The general working atmosphere has been described by many interviewees as informal. However, also as a consequence of the acquisition of Centertidningar, a more formal organizational structure was introduced. Peter and Tomas are described unanimously as the driving forces, and therefore, it is notable that Peter persistently downplays the family business aspect by instead emphasizing the professional character of the organization. His daughter Josefin also follows
this line of reasoning in emphasizing her formal, professional expertise. On the one hand, this focus on professionalism and formal structures and roles is probably necessary in an organization of Stampen’s size. This seems to be the way that Peter and his family balance the tensions between work and family, areas that supposedly overlap in family businesses and can cause tensions. It is even more notable that he denies that his family discusses business issues at the ‘kitchen table’.

Tomas is also very clear that he works a great deal to communicate with and coordinate different stakeholders in the organization. He calls himself a ‘spider in the web’ because he sees Stampen as a network organization. This is probably in line with Peter’s reasoning, however, it also shows that not everything can be formalized and that it also requires a lot of informal face-to-face work with all stakeholders. An important and interesting aspect is therefore how Tomas handles the employee representatives on the board of directors who also represent labor unions. By offering them special treatment and briefing them before every board meeting he updates them in an informal manner, which is appreciated by the union representatives. According to Tomas he treats all labour union representatives in that way and not only those who are sitting on Stampen’s board and are also shareholders.

There is also the classic media duality of commercial-journalistic tensions. Not everything that is commercially successful helps to increase journalistic trustworthiness. This trustworthiness is the most valuable thing for a newspaper or any other editorial content provider. Both Cecilia and Jonathan point that out for GP, even though they claim that there are no tensions, there is a latent risk of commercial-journalistic tension, especially when dual markets must be served, e.g. for readers and advertisers. Due to changing market conditions, with an increasing shift towards online-media, traditional newspapers are under additional pressure. Due to their strategy of expansion, Stampen is however active today in both traditional and new media channels. With its efforts towards an organization-wide platform each newspaper can, for instance, serve multiple channels. There are dual markets which must be served (with different demands) on the commercial side and on the journalistic side there are different goals. GP has a journalistic mission which also includes a political orientation. As Peter Hjörne is the political editor in chief, he follows the tradition of his father and grandfather. However, Peter is not personally politically active, unlike his grandfather. Josefin, like her father, sees herself as a journalist, i.e. they sympathize with the journalistic mission. This allows them to balance tensions resulting from this duality. Since GP is not the only newspaper with a political orientation, it is important to bear in mind that there are different orientations, particularly for the former Centertidningar, even though the party leaders have declared that they are also ‘liberal’. This did not prevent them from having a say in the nomination of editors in chief. Yet, another area for tension between the commercial and journalistic poles is the introduction of tidningschefer, e.g. CEOs who are also editors in chief. In these cases, the duality
is united in a single position and person. The introduction of these managers who combine several functions which where separated before is related to the efforts with regards to a introduced common platform, allowing all newspaper within Stampen to make use of different channels, e.g. online. This can be interpreted as one way of balancing the tensions for each tidningschef.

Both independence-dependence can be found in Stampen. On the organizational level, Stampen has become a ‘partnership’ or ‘network’ organization. This means that there exist several legal entities which are actually dependent on each other. This dependence is often manifested through ownership agreements. However, as in many of the newly acquired ventures the founders are still minority owners and less dependent on Stampen in their decision-making, e.g. the Swedish websites svenskafans or familjelif. As well as these newer cooperations there are also long-term cooperations, as in the case of cooperation with the Hörling family and NLT. Harry Hjörne explained that he worked together with Folke Hörling and Lennart Hörling and Peter Hjörne during the joint acquisition of Bobsläningen in 1996 as well as in the area of printing. In 2009, Lennart Hörling became a member of Stampen’s board of directors and in 2010 he succeeded Lennart Ohlsson-Leijon as chairman of the board of directors. Thus, there exists a long mutual cooperation which was also evident in the joint acquisition of Centertidningar. This creates ties and strings which can also be interpreted as dependences. However, this dependence has broadened Stampen into one of the biggest Swedish media companies. What is true for Stampen is also partly valid for the Hjörne family. Even though they are the biggest group of owners in Stampen they are not the only ones. Also in GP the Hjörnes were never the only shareholders. This was a legacy from when Harry took over GP. His first assignment as new CEO was to raise money to keep GP alive. When Peter became the new CEO he started to acquire shares in GP but some shares remained outside the Hjörne family, with the unions amongst others. This also has potential for tension, and therefore another approach was needed. Tomas Brunegård and Peter Hjörne describe this as ‘idea-building’. Tomas especially, as CEO, devotes a lot of time to anchoring their ideas within the organization, among its stakeholders and shareholders. One example is the way he treats the unions. By giving them special briefings prior to board meetings he achieves several things. First, the union representatives feel appreciated as a result of the special treatment. Secondly, it is possible also to discuss work-related issues in these meetings, which would otherwise be discussed in the board meetings. This allows the board meetings to focus on strategic issues. Furthermore, possible tensions between the unions and employers can be balanced, which also allows the unions to see themselves in an ownership role. The alternative could be that unions are caught in a dilemma when the board takes divestment or downsizing decisions.

With regards to the historical path-new path there are several paths which followed in Stampen. The oldest historical path still followed in Stampen is of course GP. However, this path has already been adapted, e.g. new paths have
been introduced under Lars Hjörne. Whereas for Harry the paradigm ‘one man – one newspaper’ prevailed, his son started a new path of acquisition which was continued by Peter Hjörne. This historical growth path found its climax in the acquisition of the _Centertidningar_. This was the end of the acquisition path on the newspaper track. Due to the emergence of new media and the changing industrial landscape, alternative but complementary paths such as printing (VTAB) or internationalization were followed. In Sweden, the businesses were realigned but internationally another path was followed. Instead of acquiring foreign businesses, Stampen entered partnerships with local partners and tried to introduce business concepts which are part of Stampen’s business-portfolio, e.g. ‘familjeliv’. This approach has several benefits for Stampen. To begin with, it is not as costly as an acquisition approach. Stampen can also draw on their partner’s expertise and knowledge in the respective market. This can save costs, and the risk is also shared. Of course, international activities can have repercussions on national activities. These repercussions can be both positive and negative.

*What role do dualities play in the organizational identity construction?*

As in MRP, I used dualities to categorize my empirical work in Stampen. Dualities are helpful in illustrating the complexity within the organizational context.

They allow the management and owners to construct Stampen’s organizational identity more inclusively. They call themselves a network or partnership business. This suggests that dualities are essential in managing these partnerships or networks. By drawing on dualities, Tomas Brunegård and Peter Hjörne in particular can follow several goals, e.g. keeping GP as a family business owned by the Hjörne family. However, as discussed above, this family ownership comes with a very strong emphasis on being professional. This could be a consequence of the stereotype that family businesses are unprofessional, but Stampen in general, has room for development for both the organization and the owners. Even though the focus of this study was on the Hjörne family, there are other owners. Peter, seems to follow a ‘training program’ for his family, where his daughters started as members on one governing board, e.g. GP, and continue developing an active and conscious ownership perspective. This program is also accompanied by “professional” training courses, for instance at IMD.

By emphasizing both formality and informality, Tomas can have, for instance, a dialogue with the unions. The unions thus feel part of the ongoing debate and eventually also of the hybrid identity construction. Similarly, by cooperating with different partners (partly as a result of the acquisition strategy) the identity construction is an ongoing process. By drawing on both dependence and independence, partners have the opportunity to participate in identity construction. Identity construction is not something that moves from top-management down to the different units. Rather, it is an on-going process.
The Hjörne family still has central roles as owners and editor (Peter) which is a family business duality. Their presence is mostly influential in Gothenburg and GP, due to the expanding business. The complex structure of the organization also increases the openness and influence of dualities. There is a need to balance the tensions which result from these dualities. Further debate and comparison (with MRP) is presented in Chapter 7.
7. Dualities and organizational identity construction – a comparative analysis

In this chapter I draw on both newspaper organizations and further the understanding of organizational identity construction. First, I discuss the role of dualities in a comparative manner. I used dualities found in earlier empirical studies to categorize my empirical work. Therefore both stories have similarities but there are also differences which I elaborate in this chapter.

Second, I relate the findings with regards to dualities to organizational identity construction. Family and business form an interdependent and interconnected duality. Tensions result from it and have to be managed. This managing can be done by balancing the two poles of the duality, family and business. The family business duality can be further divided to several dualities which characterize an organization as family business. Therefore I view managing dualities as organizational identity construction.

7.1 The role of dualities

In this section I further elaborate my findings with regard to dualities. I present each of the initially chosen dualities separately and develop them further. Nordqvist et al. (2008), in their study on entrepreneurial orientation, found three dualities relevant to family businesses: 'historical paths-new paths', 'independence-dependence' and 'informality-formality'. Their study focused on entrepreneurial orientation (EO) however the dualities they found are not limited to EO. Instead, as Casillas, Moreno and Barbero (2010) point out, dualities allow us to explain different streams of literature, or, in my case, the seemingly contradictory behavior of family businesses. From my point of view these dualities characterize the nature of family businesses. We can capture the complexity and peculiarity of the family businesses studied by focusing on the dualities introduced by Nordqvist et al. (2008) and Achtenhagen and Raviola (2009). I made use of these to categorize my empirical findings in Chapters 5 and 6. (See Table 9).
In the organizations studied the meaning of each duality is nevertheless specific to each organization. Moreover, the dualities, even though latently present, are not active at all times. I therefore present them in a comparison and develop common themes which can help in understanding organizational identity construction.

### 7.1.1 Formality – informality

This duality is broad and meanings of informality and formality vary. It is useful for categorization but I found underlying themes, such as ownership and professionalization which I debate further in this section. What is meant by informality and formality? Morand provides a definition:

“In this article, the term informal and its accompanying noun informality, refer to social situations or gatherings that are generally characterized by behavioral spontaneity, casualness, and interpersonal familiarity. In contrast, formal and formality refer to situations and social relations that are more regimented, deliberate, and impersonal in nature.” (Morand, 1995, pp. 831-832).

Following this definition Morand has developed behavioral and contextual codes of formality and informality which can be further delimited by elements such as language, turn-taking and topic selection in conversations, emotional and proxemics gestures, as well as physical and contextual codes (Morand, 1995, p. 835). Formality and informality influence, amongst other things, organizational culture, which in turn is a context for organizational identity construction (Hatch & Schultz, 1997).

Morand argues that innovative and organic organizations may rely more on informality whereas bureaucratic and impersonal organizations rely more on formality (Morand, 1995). The reader gets the impression that organizations rely on either informality or formality. As Morand refers to different types of codes it becomes clear however that these are not mutually exclusive. He uses also the term “interaction orders” which he describes as situational (Morand, 1995, p. 833). As situations change so may behavior. It is reasonable to assume that in any given organization it is possible to find informal and formal situations with the according behavior.

One theme which I encountered in both organizations is that managers emphasize that they are professional. This theme is relevant to identity as identities can be based, for example, on professions (Glynn, 2000). Family

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Table 9 Dualities in MRP and Stampen

<table>
<thead>
<tr>
<th>Dualities in MRP and Stampen</th>
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</thead>
<tbody>
<tr>
<td>Formality – informality</td>
</tr>
<tr>
<td>Independence – dependence</td>
</tr>
<tr>
<td>Historical paths – new paths</td>
</tr>
<tr>
<td>Commercial – journalistic</td>
</tr>
</tbody>
</table>
businesses also struggle as they are often falsely accused of being unprofessional (Donnelley, 1964; Hall & Nordqvist, 2008). Morand argues that professional behavior is associated with a certain formal behavior which he perceives to be a by-product of “formalistic interaction orders” which ratify authority (Morand, 1995, p. 849). A classic example of this is the dress-code, e.g. wearing a suit and tie (for males) implies formality as well as authority. Pratt and Rafaeli (1997) found that dress codes play an important role in social identity.

In MRP attire was formal. Males wore suits and ties, females wore blouses with skirts/trousers. There were of course differences but my guest office was on the executive floor and this seemed to be the standard outfit. This observation also held for interviews, which I conducted on other floors in the main building and included most of the trainees who had adapted their attire to match their colleagues. Morand also suggests language as a code for formality and informality. In my interviews the language was often formal. This may have been connected with my role as researcher, where interviewees wanted to provide the “right” answers even though I emphasized that I was not interested in judging their responses or reporting back to the executive board. A very clear hint towards formal language was the use of honorifics (Morand, 1995) particularly with regards to the owners, Dr Gottfried Arnold, Dr Esther Betz, Dr. Manfred Droste and Dr. Karl Hans Arnold. Others used honorifics even though the context did not require it, and even though it did not distinguish between individuals as both Arnolds hold a doctoral degree. One group of interviewees did not wear matching formal attire, and that was the journalists. The majority was male but none wore a suit or a tie even when they came up to the executive floor. People in the printing unit also wore more casual clothes or working outfits, with one exception: the managing director of the printing unit wore formal clothes including a tie. The people in the printing factory wore working clothes. Interestingly, these different organizational members all went to the same canteen for lunch. People also mixed, for example both executives and journalists had lunch together. Some executives told me that they saw it as a way to keep in contact with employees who were not regular visitors to the executive floor.

At Stampen, attire was more casual than at MRP. On my visits to different areas at the headquarters in Gothenburg, but also at the printing unit, I did not encounter a single male who wore a tie. I perceived the dress code as “business casual”, e.g. males wore shirts and maybe a jacket, and females maybe a jacket or blouse. Unlike MRP, interviewees did not use honorifics when talking about other people which made the tone more informal. Several interviewees used “Peter” or “Harry” when referring to Peter and Harry Hjörne.

The dress code is just one code which indicates formality or informality. Another aspect which was said to be rather informal in both organizations was the flow of information. Interviewees in both organizations reported good working relationships and exchanges of information. In both organizations, the
trainees particularly mention rather informal relations with colleagues. Morand also proposes that uncertain and turbulent environments produce and reinforce informal interaction orders (Morand, 1995, p. 844). This could be seen in both organizations. Before the appearance of the internet, the media industry was considered to be rather stable and conservative (Küng, 2007). Due to changing environmental conditions media organizations and in particular newspaper organizations needed to adapt from a more formal behavior towards a more informal behavior. This has led to changes, for instance in the organizational structure. At MRP, there is a special organizational unit for the online edition of the newspaper. There have been tensions because editors who work for the online unit and the print unit have different contracts/salaries. This is a classic tension arising in media organizations (Raviola, 2010). Similarly at Stampen, the organization had implemented a system in some areas where the editor in chief and sales director is one person. The structural changes have caused some turmoil and tensions have arisen which need to be addressed by the management. Here is an illustration from the editor in chief of the online edition in MRP, Rainer Kurlemanns, who talks about the relationship between online and print editors:

“It gets better. […] It used to be that the editors were sitting on different floors, sometimes even in different buildings, then cooperation was very poor. Meanwhile, it became much, much better. Partly because this is a modern requirement of the editor. On the other hand, according to the “Düsseldorf model” of the news desks communication is easily been improved because you can see the people with whom you talk.”

Stampen also has to deal with the changing media landscape. Tomas Brunegård explained that they have *tidningschefer* combining two earlier separate management position in one.

The combination of these two roles could be interpreted as an attempt to change the formal structures and become more informal and thereby more open to changes in the environment. With regards to structure, family businesses are said to be more informal which is considered one of their strengths (Nordqvist, et al., 2008). These structural aspects of an organization and their changes are one way of constructing an organizational identity. As both organizations are growing through acquisitions, a certain degree of formality seems necessary. Table 10 presents a comparison between MRP and Stampen.
Table 10 Formality-Informality in MRP and Stampen

<table>
<thead>
<tr>
<th>Codes24</th>
<th>MRP</th>
<th>Stampen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Linguistic Elements25</td>
<td>More formal: Use of honorifics and avoidance of “I” and “you”</td>
<td>More informal: Use of first names, “we”</td>
</tr>
<tr>
<td>Physical and Contextual Codes</td>
<td>More formal</td>
<td>More informal</td>
</tr>
<tr>
<td>Organizational structure</td>
<td>Shift from bureaucratic to organic</td>
<td>Shift from bureaucratic to organic</td>
</tr>
<tr>
<td>Organizational culture</td>
<td>Conservativeness, seriousness as well as openness =&gt; Christian culture</td>
<td>Liberal</td>
</tr>
</tbody>
</table>

The theme of being professional is related to organizational self-categorization. Both organizations claim to be professional. Both chose listed firms as an opposing pole to family businesses, which both claim to be. It is noteworthy that even though the interviewees present these as a dualism, they are a family business and being professional but not being a listed company. Here, they may fall for some common stereotypes about family businesses which are said to be unprofessional (Levinson, 1971). There are examples given in both organizations which should illustrate their professionalism, such as the nomination of Karl Hans Arnold as managing director in MRP or the clear separation of roles in the case of Peter Hjörne and Stampen. In both cases they claim to be a family business but also a professional company, such as listed companies. However, being a “professional but not publicly listed family business” can be interpreted as an oxymoron. It rests on several assumptions, e.g. that family businesses are not professional but that publicly listed companies are, and that publicly listed companies are not family businesses. That these assumptions do not always hold has been shown in several publications (e.g. Boers & Nordqvist, 2012; La Porta, et al., 1999). Therefore I argue that this is a false oxymoron26.

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24 I did not observe interactions between organizational members in their daily work, therefore I disregard the codes of “Conversational Turntaking and Topic Selection” and “Emotional and Proxemic Gestures”. The same could be argued for linguistic elements but here I refer to the way organizational members refer to other members who are not present.

25 I am aware that there is a cultural dimension to this topic.

26 The Oxford English dictionary defines an oxymoron as “a figure of speech in which apparently contradictory terms appear in conjunction” http://oxforddictionaries.com/definition/english/oxymoron?q=oxymoron retrieved 05.10.2012. I argue that this is a false oxymoron because neither family business and publicly listed nor professional and family business are contradictory terms.
With regards to the notion of professionalism Nordqvist and Hall (2008) refer to the cultural and formal competence which is required for professional management. Accordingly they argue that there is a dominant understanding of professional management which does not match family businesses. They argue that the dominant understanding of professional management is based on Weber and Berle and Means (1932). Chandler (1990) also drew on their interpretation which lead to articles stating more or less explicitly that professional management and family or owner managers are mutually exclusive (Gersick, et al., 1997; Levinson, 1971; Schein, 1983). Dyer (1997) also seems to agree with this notion as discussed in an earlier section. Apparently, there is an implicit understanding that publicly listed companies with dispersed ownership are the role models for professionally managed organizations and family businesses are not. Yet, in many countries, including the USA, publicly listed companies are held and controlled by families (Dyer & Whetten, 2006; La Porta, et al., 1999) which contradicts this assumption. Interestingly, Donnelley noted that not all family businesses are the same: 

“In fact, if one takes an objective look at the success of some family enterprises, he may wonder whether the effectiveness of the typical reward-punishment system underlying nonfamily businesses has not been greatly overrated.” (Donnelley, 1964, p. 93)

Obviously, there are legends or myths associated with family businesses and even though there are critical voices questioning these stereotypes they manage to prevail. The superiority or role model of publicly listed firms in terms of professionalism is also present in the answers of interviewees. For instance, Karl Hans Arnold of MRP says:

“What we share with stock companies or publicly listed companies […] we have in common that you have to work professionally.”

Hall and Nordqvist (2008) maintain that the formal competence has been discussed in the family business literature but that cultural competence requires more attention. They define cultural competence as “…an understanding of the unique sociocultural patterns originating from the family’s influence on a business.” (Hall & Nordqvist, 2008, p. 62). This understanding is difficult to gain and sometimes only accessible for family members. Based on this understanding Hall and Nordqvist formulate three conclusions regarding professional management in family businesses. Accordingly, they argue that cultural competence is integral to professional management in family businesses; that it is processual and thirdly, they argue that professional management is indifferent to family membership. Therefore, they suggest the following definition: “Professional management in family businesses means an in-depth enough understanding of the owner family’s dominant goals and meanings of being in business (i.e., cultural competence) to be able to make effective use of relevant education and experience (i.e., formal competence) in a particular family business.” (Hall & Nordqvist, 2008, p. 63) In my understanding, Hall and Nordqvist argue that professional management in the
family business requires a combination of cultural and formal competence. Cultural competence could also be described as informal as it refers to an owner family and their views, and the formal competence is complementary. The following Figure 11 illustrates the described situation at MRP.

In the case of MRP there are several examples of formal competence. However, there are also some references to cultural competence. For instance, Clemens Bauer said, with regards to Karl Hans Arnold:

"[I do not think] that a colleague who has been so long in the house and who knows the house very well, and is a professional, needs a typical introduction."

Bauer explicitly refers to formal competence when describing Karl Hans Arnold as professional but he also emphasizes the importance of knowing the house, which is part of cultural competence. Felix Droste says:

"So Karl-Heinz Arnold was originally… so he has spent his early days in another company. And I guess that was deliberately designed by Arnold Senior. It is always better to make mistakes somewhere other than at home."

Figure 11 MRP formal competence

I found comparable examples of being “professional” and being a “family business” in Stampen (Figure 12).

“I have to say that I feel that both GP and Stampen have, in most respects, worked professionally for a fairly long period of time."

Peter Hjörne has emphasized several times that it is necessary to be professional when managing a big organization as such Stampen. He also emphasizes the professional structures of governance, e.g. professional, external board members and a clear separation of roles, especially for himself. The course that they took at IMD can be seen in this light. This all can be seen as a way to establish formal competence as Hall and Nordqvist (2008) have suggested. Similarly, it can be seen that Peter always refers to his ‘professional’ education: after taking the Swedish degree *civilökonom* he conducted a management trainee program in the USA at the John Deere company. His daughter, when appointed as board member in Stampen also mentioned that she has undergone education in media in Sweden and the USA. This is in stark contrast to Lars Hjörne, although not necessarily on purpose, who did not even finish secondary school and claims that he learned in the “school of life” (Stampen, 2009).

Figure 12 Stampen professional business
In both organizations the owners particularly overemphasize the formal aspect, as they feel the need to present the organization as professional and therefore underemphasize the informality which is often seen as typical in family businesses. Their reasoning illustrates efforts to construct the identity of each organization by choosing peers. Peer selection is part of organizational identity construction (Clegg, et al., 2007). By selecting seemingly contradicting groups of peers, e.g. family business and publicly listed companies, tensions between these are evoked. Balancing these tensions is a way of constructing organizational identity. By strongly emphasizing formal aspects and publicly listed companies as peers, owner-managers manage the duality. By comparing and pointing out similarities with one group of peers they select certain behaviors which they consider suitable (being professional) while at the same time underlining the freedom they have as family businesses, e.g. no need to present quarterly reports or be dependent on the evaluation of the stock market.

This brings me to another theme, which I label ownership. Owners and owner-managers in particular need to balance their roles and relationships with the organization. Being an owner is in one way a formal aspect as ownership has a formal meaning (Etzioni, 1991), so I therefore elaborate this under the category of the formality-informality duality. The meaning of this duality is changing. In terms of dualities the relationship between a person and the organization is a classic duality (Janssens & Steyaert, 1999) which shifts as individuals are able to “construct somewhat different selves for their different organizational roles, to resolve the tension between person and organization.” (1999, p. 130). They further argue that due to increasing technological complexity and relational embeddedness a shift from this classic duality towards a new duality that can be described as “autonomous-relational” is initiated. But does this hold for the family owner and the family business? Janssens and Steyaert do not have the classic family business roles in mind where family, business and ownership roles overlap. I therefore turn to the family business literature to shed light on ownership.

For instance, Hall (2003) found a paradox of identity which refers to a simultaneous need for belonging and separation of family members to the family. Furthermore, she argues that the business can be seen as an extension of the family giving meaning both to the individuals and the business. If a family has an ownership relationship over generations it is likely that they will also develop a more informal relationship. Similarly, Nordqvist (2005) in his dissertation found that there is something he calls ‘socio-symbolic’ ownership which goes beyond legal/financial ownership. Thus, ownership becomes a duality which has its origins in the classic individual-organization duality (Janssens & Steyaert, 1999).

Based on my study, I argue that owners can emphasize formal as well as informal aspects of their ownership, which contributes to constructing the organizational identity because it is a way of balancing tensions. Moreover,
ownership concerns the relationship between the family owner and the family business. There can be tensions between the different roles with regards to family, business and ownership (Nordqvist & Melin, 2002). Hall et al. (2001, p. 196) also argue for the importance of ownership:

“Employees do not only respect a family manager because of the formal management position, but also for his or her ownership in and, thus, ultimate power over, the business.”

Thus, Hall et al. (2001) point to the ambiguous nature of ownership which gives status but also raises expectations among employees. This holds especially for the owner managers of MRP and Stampen. The formal ownership aspect is primarily in focus at the annual meetings and owner assemblies. Peter Hjörne in Stampen, but also Karl Hans Arnold in MRP, emphasize that their (formal) ownership role is only relevant there. That there is another perception of them, not only as managers but also as owners, is however clear from the way their colleagues ‘treat’ them. For example, according to Cecilia Krönlein, it took several years for Peter Hjörne to clarify his multiple roles. This perception, that they are owner-managers, has an influence on the organizational identity construction on which I elaborate further in 7.2.

In both organizations the formality-informality duality is present. Following Morand (1995) this duality finds expression in different behaviors and situations. Interviewees referred to being a professional but not publicly listed family business”. Some might argue that this is an oxymoron but I argue that it is a false oxymoron because studies show that being professional and being a family business is not in contradiction (Stewart & Hitt, 2012).

I found an ownership duality which is very present and important. The ownership duality is a broad duality and for now I present it within in the context of formality-informality. The duality is based on the individual-organization duality. In other words, ownership has an individual as well as an organizational component. However, the theme of ownership is a re-occurring pattern which is also visible in other contexts. Figure 13 below shows how I broke the duality of “formality-informality” into further underlying themes.
Figure 13 Formality – Informality

In Chapter 7.2 I focus on how these findings play out with regard to organizational identity construction.

7.1.2 Independence – dependence

With regard to this duality I present a comparison in Table 11.

Table 11 Independence-dependence comparison

<table>
<thead>
<tr>
<th>Independence</th>
<th>Dependence</th>
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<tbody>
<tr>
<td>Stampen</td>
<td>MRP</td>
</tr>
<tr>
<td>Partnership</td>
<td>Cooperation</td>
</tr>
<tr>
<td>or network organization</td>
<td>with competitors in administrative functions (joint venture)</td>
</tr>
<tr>
<td>Joint acquisition of Center tidningar</td>
<td>Joint sales desk</td>
</tr>
<tr>
<td>Personal linkages, e.g. Hjörne/ Hörling</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Stampen</td>
</tr>
<tr>
<td></td>
<td>Freedom to develop as independent media</td>
</tr>
<tr>
<td></td>
<td>Common platform offers units more opportunities</td>
</tr>
<tr>
<td></td>
<td>Hjörne family still in control of GP</td>
</tr>
<tr>
<td></td>
<td></td>
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</tbody>
</table>

As the table shows, there are some parallel developments in MRP and Stampen. Both organizations have given up their independence in some administrative areas but received a better basis for cost allocation and development potential. In other words, they exchanged internal independence for external dependence. Another parallel development is that both organizations have long-term partnerships and cooperation between owning families and other family
businesses in the industry. In the case of MRP there is a long-lasting relationship with the publishing group W. Giradet and their owners, whereas at Stampen there are long-term relationships with NLT and the Hörling family. This long-term cooperation not only influences this duality but also influences, for instance, the duality of formality-informality. Formally, the organizations are independent, but there are relationships over generations which could also form part of their historical paths.

There are however some differences. Stampen started their joint acquisition strategy in the 1990. MRP however, financed their expansion without partners. Instead partnerships developed in the early years such as those with NZV and W. Giradet. This can of course be explained by the size of the acquisition of Centertidningar which was much bigger. This led to a re-organization of Stampen’s possession of office buildings. They started selling office buildings, then rented them instead (Stampen, 2008). In MRP, their properties (e.g. Schaadow Arkaden) represent a business unit on its own. Both organizations tried to strengthen their independence by establishing dependencies (or partnerships) that were beneficial for the organization. Nordqvist et al. have labelled this duality “dependence-independence” but there is another label in the literature which is “competition-partnership” (Evans & Doz, 1989, pp. 219-220): “We are experiencing unprecedented competition between business corporations, and at the same time we are witnessing a wave of partnerships and joint ventures between direct competitors. Marriage and archrivalry go hand in hand.” This is also a suitable description for what is visible in MRP and Stampen. There is competition on some levels whereas there is cooperation on other levels.

What is also relevant in this context is that the owners of both organizations play key roles. Through cooperation the owners are still in charge of what is at the core of their family ownership, e.g. GP and RP. This duality is related to the other dualities. The dual strategy of dependence-independence goes together with the formality-informality duality. Cooperation between competitors is formalised but existing personal relationships appear to be important and supporting. In the previous section I argued that the professional duality is related to succession issues, but it is also supported by the dependence-independence duality. In Stampen the owners and managers elaborate that the professionalization is seen as necessary in order to follow a dependence-independence approach. Both Peter Hjörne and Karl Hans Arnold are seen as role models for their organization. By emphasizing their formal and cultural competence, they become legitimate in executing the dual strategy of independence-dependence. Organizational members also relate this duality to the journalistic-commercial duality which seems to be a “natural” ingredient of media companies and thereby contributes to independence-dependence (Achtenhagen & Raviola, 2009). There are parts of organizational identities which are not only shared by their members but are also shared, for instance, within an industry. Another label for this duality is “competition-partnership”. Yet,
an organizational identity is always context-specific, as the examples show, since organizational members construct it in their organizational context.

### 7.1.3 Historical paths – new paths

This duality is presented in Table 12 for comparative purposes.

**Table 12** Historical paths-new paths in comparison

<table>
<thead>
<tr>
<th>Historical paths</th>
<th>-</th>
<th>New paths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stampen MRP</td>
<td></td>
<td>Stampen MRP</td>
</tr>
<tr>
<td>- GP</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- Newspaper</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- Göteborg</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- RP</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- Newspaper</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- Düsseldorf</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- Sweden</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- International</td>
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<td>-</td>
</tr>
<tr>
<td>- New media</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- Printing</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>- International</td>
<td></td>
<td>-</td>
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<tr>
<td>- New media</td>
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<td>-</td>
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</tbody>
</table>

Both organizations followed the “historical path” of a single newspaper which became the number one in its circulation area, Göteborg and Düsseldorf. This focus on regional and local news was the beginning and over time became the historic paths. As well as the contexts of Germany and Sweden there are further differences in the respective historic paths. GP, in its history before Harry Hjörne took over the newspaper, belonged to different owner groups who had diverging goals. When Harry took over he followed the doctrine of “one man-one newspaper”. Thus, it took until the 1970s, when Lars Hjörne had succeeded his father, for GP to become a media group (see 6.1). In MRP, where RP was the core but already in the 1950s RP collaborated with NZV and W. Girardet (see 5.1). For Lars Hjörne it meant breaking with one historic path which his father had established and interpreted with the expression “one man one newspaper” (Gelotte, 1999; Hjörne, 1965).

However, over time both newspapers had a wider reach even though their focus remained regional. This was due to the domestic importance of the cities where they were published. Göteborg, as the second biggest city in Sweden, is naturally of domestic importance. This is also described as offering alternative perspectives to the national Stockholm-based press. Similarly in Düsseldorf, the capital of Germany’s biggest federal state, things can be of national interest and this is also supported with having an office in the capital, Berlin. In both organizations, the owners have been and are still active, e.g. Peter Hjörne as political editor in chief of GP, and Gottfried Arnold, Esther Betz, Irene Wenderoth-Alt, and Manfred Droste as publishers of RP. Their personal involvement also shows the standing of the historical paths. At MRP the owners are actively involved in RP, and at Stampen Hjörne family members are actively involved in GP. In both organizations another interpretation of the historic paths- new paths duality is the definition of the role played by the owning families.
In Stampen, Harry Hjörne and his son Lars Hjörne took on the role as editor in chief. Due to their simultaneous ownership roles they combined a very powerful position which also drew a lot of criticism (Gelotte, 1999; Harning, 1977). When Peter succeeded his father he had gained some experience outside the family business. Even though he also tried the position as editor in chief against the advice of his father it seems that he soon realised that he needed to clarify his roles. The multiple roles as editor in chief and owner had caused irritation, according to some. By hiring a strong CEO like Tomas Brunegård, Peter shared the spotlight which probably gave him more freedom. However, for the organization it was something new. It is no longer a Hjörne who decided everything. This led some to decide that the family business was not as strong as it was. When Peter’s daughters entered the stage they also had to define their role. Until now it seems that they again saw their roles in a different light to their father as they do not take an active editorial role but play an active ownership role. But as Thomas explains, GP is a family business, the entire group may not be. This indicates efforts to secure historic paths for the owning families while at the same time opening up new paths.

In MRP, the current generation of owners also needs to consider their roles. Members of the second generation of the founding families all take an active role as publishers, i.e. they have a say with regards to the general editorial direction of RP. In the third generation a path has been revisited from the past, an owner manager has been re-introduced. In the founding years, all founding members left their mark but Anton Betz as owner manager had a very lasting impact (Betz, 1973; Henkel, 2011). After his dismissal the group developed very successfully without the direct involvement of the owners in the management. The re-introduction of an owner manager is therefore of great significance even though, or maybe because, everybody emphasizes his qualifications and professionalism. There are four owning families, plus W. Girardet, the coming generations need to define their roles with regards to MRP. For instance the Droste family seems to have found their role in active ownership which is probably due to their other business activities.

Another issue concerns the centrality of RP and GP in their respective organizations; since they represent historic paths their role is not anchored in the coming generations to the same extent as it is in the current ones. For instance, Peter Hjörne, like his father and his grandfather, has taken an active role by being a political editor in GP. Similarly, members of the owning families in MRP are taking part in RP as publishers.

Lisa Alt, daughter of Irene Wenderoth-Alt describes her relationship to the newspaper RP:

“I had no affinity with the media for a long time. But it came to me through writing, in that I really really like to write, so the obvious idea was journalism, then, online editorials and then being a local editor [she did internships under another name in the online section and as local editor]. And there I even found that this is not my cup of tea. And then I went online and now with more ...
Now I find myself more in marketing. I just followed my nose and have pursued my interests always trying things in one direction and then in another direction.”

Her preference for online work is also reflected in the next statement:
“It is very difficult and it is still not considered important enough. Core supporters of the print area still sometimes see the online medium as a bit “the little and dear brother” that runs alongside the more serious work.”

She adds:
“That’s the problem. [...] the next step, I would say, is for the Rheinische Post, or for much of the Rheinische Post to realise that the online world is an absolutely equally ranked medium. It’s another medium with a completely different mindset.”

These statements show that the historic paths are not taken for granted and new generations may want to add new emphasis. I found similar indications in Stampen where Josefin says:
“Despite my age I have had time to accumulate a lot of knowledge, and I always look to find out what I need to know. There are many advantages of being young. I’m moving in a completely different world than my older colleagues and I can help with the perspective that they lack. It is very important to constantly look ahead and not get stuck in the old. Especially in this business.” (DI 19/11/2007)

These statements do not sound like extreme tensions between historic paths and new paths. However, it suggests that there are differences in priorities between the generations of owners. Nordqvist et al. (Nordqvist, et al., 2008, p. 101) argue: “Sometimes, but not always, this duality is driven by tensions between the old and the young generations.” They also argue that families wrestle with their tradition and heritage. The owning families and different generations in MRP and Stampen also seem to struggle with this. In principle these tensions can become severe conflicts which might endanger the family business (Gordon & Nicholson, 2008). It remains to be seen how this develops over time.

Another aspect of this duality concerns the internationalisation activities. Here I refer to the example of MRP going to the Czech Republic. Kurt Pfeiffer says:
“So I would imagine that the networking and mutual exchange between the domestic and foreign investments, intensifies even more. We have an exchange. I - yes I have said - that there was much knowledge transfer at the beginning, from us to the Czech Republic. We have the same units, now it goes in the opposite direction, Salesdesk what I have just mentioned, we have first installed in Prague, in the Czech Republic, and then this model here in Düsseldorf. So there is certainly interaction here. I would imagine that this will be intensified significantly, because we have - I think of online, I think of iDnes - one of the largest online portals in the Czech Republic, which are
Kurt Pfeiffer illustrates with his description of the cooperation between RP in Dusseldorf and the newspapers and websites in Prague how the historic path RP and the new path Czech Republic are mutually enabling and interdependent (Farjoun, 2010).

The historical path has been paralleled by new paths. In Stampen, an acquisition strategy was followed which some claim had already started in 1973. This new path culminated in the joint acquisition of *Centertidningar*, but is still ongoing as Stampen continues to acquire companies in the new media sector such as another company (OTW) which was acquired by Stampen Media Partner in May 2012. The *Centertidningar*-deal opened Stampen to Sweden, and with the printing activities as another important business area, followed by new media acquisitions, also prepared Stampen for internationalization. Today, Stampen includes not only regional newspapers but is on the way to becoming an international media house. In MRP, the new path opened after failure to enter the East German newspaper market. Instead, MRP entered the Czech Republic and is today one of the biggest media companies in that country. There are also further international activities in Poland and the Netherlands. Accompanying this were new media activities which today means MRP has many media channels. Thus, both organizations enter new paths as well as continuing their historic paths. That these paths are identity-relevant may be obvious, but it can also be seen in their names. In MRP the historic RP is part of their name, and the new part is encompassed by the M which stands for media group. The name Stampen at first appears to have no link to company history. But when knowing that Stampen’s headquarters is located in the city quarter of Gothenburg named Stampen, and its main building in Gothenburg is called “GP-hus” (GP-house) the link to its historic and new paths becomes clear.

In both organizations, the historic paths also represent the elements in which the owners are mostly active. Owning families in both organizations have taken efforts to secure their control over the historic core activities, e.g. RP and GP. They hold positions in these organizations and are interested in keeping these independent from outsiders. Owners in both organizations refer more or less explicitly to strategies which are aimed at securing the independence of these core activities by collaborating with others on, for instance, administrative functions. There seem to be tensions in both organizations with regard to resource allocation and which activities are important, i.e. old versus new media activities. This was most evident in MRP where the Czech activities have reached a level of importance for the entire group which also complements the traditional activities. For Stampen, there are

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several business units which have reached levels of importance for the entire
group. The new paths so far seem to be complementary. It is noteworthy that
initiatives for these new paths were driven to some extent by members of
younger generations, e.g. Karl Hans Arnold or Peter Hjörne. The upcoming
generations also seem to be willing to introduce new ideas into the
organization, e.g. Lisa Alt or Josefin Hjörne Mayer.

7.1.4 Commercial – journalistic

Table 13 summarizes this duality. The media organizations Stampen and MRP
are both signified by tensions between commercial and journalistic orientations.
The journalistic orientation is visible, amongst other places, in the political
orientation of their central newspapers GP and RP, which influence the entire
organization, as can be seen for instance in MRP’s guiding principles.

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<th>Table 13 Commercial-journalistic comparison</th>
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This duality looks simpler, but, there are very complex and different stories
behind it. In my opinion, this classic media-duality is made up of different
facets. This duality has been described as leading to dual organizational
structures (Achtenhagen & Raviola, 2009) in order to serve the different logics,
e.g. the commercial and the journalistic. There are signs of this in both
organizations, e.g. there is a manager who is in charge of the journalistic side
and a manager of the commercial side. The formality-informality duality has
shown us that structure is affected. In this duality however the apparent
separation between commercial and journalistic sides is more fundamental.

According to Raviola (2012) the discourse in media literature with regard to the
relationship between management and journalism has been considered as being
in opposition to another for decades. Nonetheless, in her study on
organizational framing she found that there are supporting relationships
between business management and journalism.

Habermas has described the role of publishers as follows: “[…] for the
newspaper publisher it meant that he changed from a vendor of recent news to
a dealer in public opinion. The publishers ensured the newspapers a
commercial basis, yet without commercializing them as such.” (Habermas,
Lennox, & Lennox, 1974). Habermas is referring to newspapers in the 18th
century, but a publisher ultimately carries the responsibility for the entire
newspaper including advertising and editorials. Solomon writes the following
about the way their role looks today: “Today, as throughout the history of U.S.
mainstream journalism, a newspaper’s publisher picks the top executives who
7 Dualities and organizational identity construction – a comparative analysis

in turn supervise the hiring process in their respective departments. Rarely does a publisher hire an editor whose political views he or she dislikes.” (Solomon, 1997, p. 77). Even though Solomon is writing in a US context there are implications for the German context, and MRP in particular since many of their principles were implemented after the Second World War (Hüffer, 1995). Both MRP and Stampen, or more specifically RP and GP, have separate departments for editorial and sales/advertising. However changes are ongoing in both organizations. For instance MRP introduced a joint sales desk where members of the editorial staff and the sales team meet to discuss possible joint projects (see Figure 7). In some regards Stampen goes even further by introducing tidningschefer, e.g. people who combine the responsibilities of editor in chief and CEO in one position. This role probably comes closest to the roles publishers have in the American context, or in MRP. A significant difference between tidningschefer and publishers in Stampen and MRP is, however, that the publishers in MRP are also the owners. Publishers in RP and the tidningschefer in Stampen nevertheless have substantial influence over the organization and its identity construction. I will elaborate on this further in 7.2.

In order to clarify the duality I elaborate on some findings from both organizations with regard to the role of owners. As I have already indicated in the duality on formality-informality, owners have a strong impact on media organizations, particularly newspapers (Solomon, 1997).

Starting with Stampen, when Harry Hjörne took over GP, the newspaper was not profitable. It took him many years to manage the turnaround towards a successful commercial enterprise. GP was already a liberal newspaper, and Harry Hjörne was himself a very outspoken supporter and member of the Swedish liberal party folkparti, which for many years was the label also printed on GP. He did not intend to be a party newspaper however, so the orientation was changed to liberal. His son and grandson were not active in politics. Nevertheless, with the acquisition of ‘Centertidningar’, the new group also carried the label ‘liberal’ which was of importance in the motivation for selling to Stampen. It is important to mention that the majority owner, the Hjörne family, has is emphasized for generations that they have a journalistic ambition in running the business.

The beginning of MRP was the foundation of RP as a licensed newspaper oriented towards the Christian Democrats, with the explicit order not to become a party newspaper, but to be an independent business venture in the Anglo-Saxon style. The RP had a subtitle and the three founding licensees, Arnold, Betz and Wenderoth, were all politically active supporters of the Christian Democrats. Anton Betz in particular spent much energy to prevent RP becoming a party newspaper for the CDU, despite the efforts of even Chancellor Adenauer. Today, MRP refers to the “Christian Spirit” in its guiding principles. There are the owners in the second and also in the third generations, who are very clear in emphasizing their involvement as more than a financial investment.
This duality is related to the other dualities. There are formal boundaries in both organizations between the commercial side and the journalistic side, but this does not exclude a seemingly increasing informal collaboration between representatives of both sides. Political orientation as an expression of the journalistic side of the duality is of course rooted in their respective historic paths. Yet, as the case of MRP shows it is also relevant for deciding which new paths to enter. The commercial and the journalistic side are directly related to the independence-dependence duality.

As Figure 14 shows the commercial-journalistic duality is further divided into two sub-dualities which relate to the owners and their role dualities. These role dualities are important as they have a direct influence on organizational life. How this influences organizational identity construction is presented in 7.2.

### 7.2 Organizational identity construction

I found different dualities in the two organizations studied. Starting from the initial categorization of three family business dualities and one media duality I was able to specify the dualities further. I elaborated on their presence in the
organizations studied in section 7.1, and argue that dualities characterize organizational identities in family businesses. Since I argue for a dualities perspective on organizational identity construction, the focus is on how the dualities are managed, which in turn means how they deal with the tensions resulting from dualities (see 2.5).

Dualities are an expression of the involvement the owning families in each organization. “Managing” dualities is a form organizational identity construction by those owning families (see 2.5). Not only the owners, but other organizational members take part in the construction. However, owners are particularly stakeholders who have an important role, at least in the organizations I studied. It has been reported in the social identity literature that owners may perceive the organization they own as an extension of themselves (Pierce, et al., 2001). Hall (2003) and Florin Samuelsson (2002) also found that identity and its construction in family businesses was important. Here, owners are part of a collective organizational identity construction. They may not possess all the cues to determine identity (Hatch, 2005) but they are the ones who are in the center of organizational identity construction. They are role models for other organizational members and thereby influence identity construction. They can be seen as the hubs of organizational identity construction. In the remainder of this chapter I will go into each duality and discuss organizational identity construction. I use the same categories as before in order to make it clear for the reader.

7.2.1 Formality – Informality

Informality and formality influence organizational culture (Morand, 1995) which in turn is a context for organizational identity construction (Hatch & Schultz, 1997). In both organizations owners, family members as well as non-family members define the business as a family business. However, their definitions vary and only partly match the academic categories of what constitutes a family business, in part with regard to their perception and in part to their ownership and involvement (Collins & O'Regan, 2011b). In the previous chapter I introduced the false oxymoron of “professional but not publicly listed family business”. Here the tension is between “being professional” as well as being a “family business” but not “publicly listed”. Tensions are not the same as contradictions. Tensions can be managed. Members of both organizations use the publicly listed company as an example of professional business. I have already argued that this comparison is askew because even publicly listed companies are often family controlled, and not all publicly listed companies may be a good example of professional management. This false oxymoron is also related to the selection of peers, i.e. what organizations they want to be compared with, which is important for constructing an organizational identity (Clegg, et al., 2007). By presenting family businesses and publicly listed companies as similar, the interviewees may evoke resistance or tensions among
other stakeholders. These are of a different nature depending on who is addressed. Organizational members who are key stakeholders in organizational identity construction can relate to both types of organization. The majority of my interviews were related to family business and the interviewees had no problem identifying with it. Owners and top-managers referred to publicly listed companies as peers which points to hierarchical differences in the perception (Gioia, 2004). Owners and managers struggle to balance these tensions and construct organizational identities. So how do managers and owners in MRP and Stampen work with these tensions?

In MRP, they emphasize professional attire in terms of dress code and procedure, for instance in the work between the management and the supervisory board.

Horst Wendland describes the relationship and procedure as follows:

“[…] in this house anyway, at least three times a year as a rule, there are shareholder meetings and board meetings. These are, because everyone knows each other well, usually coupled with one another, but of course, separated in the invitation. First, the supervisory board meets and then the shareholders, some shareholders are indeed also supervisory board members. The charter states that any shareholder group may nominate from among their group a supervisory board member. It cannot be prevented by the others.”

This quote shows that the relationship is, on the one hand, very formalised through invitations, and on the other hand it is also rather open. A quote from Irene Wenderoth-Alt illustrates this:

“Although I must say quite clearly this is thanks to the work of one person, and that is Dr Arnold, Gottfried Arnold, who is truly a master of balance! I know no one who manages difficult, sometimes divergent opinions, bringing them to a consensus with which everyone can live, where everyone says, yes, that’s good, that’s what we will do.”

According to Irene Wenderoth-Alt it is Gottfried Arnold, the chairman of the supervisory board and representative of the Arnold family, who balances the tensions. He also emphasizes the dualities by being present in the organization almost daily which creates a good working relationship between the management board and himself as chairman. With reference to the charter which regulates the formal relationship and communication and the good personal relationship between the managers, involving Gottfried Arnold ensures the presence of the duality. This becomes even clearer when he expresses his view that MRP is a family business which nonetheless follows professional procedures. He is therefore working with organizational identity, e.g. organizational identity construction. Tensions and the way Gottfried Arnold works with them can be described as “constructive tensions” (Evans, 1999). Overall, formal rules and procedures exist and are emphasized, yet informal communication and decision-making seems to co-exist. Certain decisions are enhanced by the close and informal cooperation between the senior management and owners. Due to the complex ownership structure the
use of formal rules and routines seems to support and balance the relationships between the different owner groups and also in relation to senior management.

The false oxymoron is also present in Stampen. Peter Hjörne explains the importance of being professional but at the same time that they do not want to be publicly listed. He explains his view:

“The shareholders’ forum is the annual general meeting, which appoints the Board of Directors. This is where the owner should act, rather than in different places and through different forums. The fact that the principal owner is also a member of the Board of Directors is something I regard as an obvious strength. I am often asked how I can maintain a hands-off approach, and the answer is that it is not difficult at all. It is an approach you either believe in or you don’t.”

Peter Hjörne propagates the clear separation of his role as owner and as member of the board. What we can see here are tensions but that are not contradictions. This is another way of constructing organizational identity in Stampen, by emphasizing role separation. However, others have mentioned that this was not so clear when Peter entered the stage. It took time to develop. Tomas Brunegård explains his view:

“[…] it is that you have much more long-term thinking than you had when you were a listed company. You also have the presence of generations. […] But let’s say from a management standpoint it’s when you look at the owners and you actually think in 360 degrees, because there are owners that way, owners that way, and owners that way in this partnership structure and you have to keep it, for this to work, you have to keep an eye on the whole thing.”

Tomas uses the listed company as diametric to family business, but he emphasizes the importance of the fact that he, as CEO, has to work with the owners. Since Stampen acquired many smaller businesses where the former owners remained on board, ownership became a complex issue even though some of these activities are not significant for Stampen in absolute terms. This is a consequence of the partnership business which Tomas promotes. He continues:

“I am the spider in the web, because I am the chairman of all our partnerships. It’s…if I was a CEO of a listed company, I would probably spend, you know, most of my time communicating with the financial world. I probably spend most of my time talking to people in our network. Other owners, other partners, other stakeholders. That occupies a lot of the time in my calendar.”

What Tomas expresses here is the need for him to manage relations between the different shareholders on different organizational levels. What can be seen in both organizations is the central role of owners in managing the dualities and thereby constructing an organizational identity. This is something that the neither the duality literature nor the organizational identity construction literature has taken into consideration (cf. Dhalla, 2007; Sánchez-Runde & Pettigrew, 2003). This is notable and there are recent studies which,
for instance, point to owner managers in organizational identity construction (Alvesson & Empson, 2008). In their study Alvesson and Empson argued as follows:

“Given the relatively small size, the homogenous membership and the centrality of the leaders having a strong power base as also being the founders and owners of the firm, we find a stronger impact of these compared to many other organizations.” (Alvesson & Empson, 2008, p. 14)

Alvesson and Empson studied four consulting companies which had between 27 and 92 staff. In comparison to MRP and Stampen these are very small. Nevertheless the centrality of owners is equally present and they take an active interest in leading the respective organizations. This centrality also finds expression in the ownership duality. An important notion about dualities is that managers should pay close attention to both poles in order handle their tensions and take advantage of their existence (Achtenhagen & Melin, 2003). What both organizations show is that the role which has been ascribed to managers is often taken by owner (-manager)s in these family businesses. In the organizational identity construction literature owners are mostly absent.

However, we know from studies focused on ownership that owners develop a feeling of identity with the owned object (Hall, 2003; Pierce, et al., 2001) and that owners can express themselves through their ownership (Pierce, et al., 2001). Identity in this context is social identity but there are repercussions for the organization and its identity (Ashforth & Mael, 1989). Tensions and disputes between owners can have serious consequences, as research shows (Gordon & Nicholson, 2008). This motivates owners to engage in organizational identity construction and manage tensions. Not addressing or ignoring the tensions could result in the loss of the family business. Due to the proximity of owners to the organizations their involvement appears normal. As Hall (2003) found, owners get a feeling of belonging as well as meaning from being involved in the business. Thus owners work and construct their organization’s identity. In the next section I discuss when and how they do this by focusing on the commercial-journalistic duality.

### 7.2.2 Commercial – journalistic

In this duality I categorize two underlying dualities, e.g. owner-publisher and owner-political editor. These dualities are context specific, i.e. the former is related to MRP whereas the latter is related to Stampen. Before I go into these more specifically I want to go more into the general context of this duality which has an impact at the macro-level.

Something I categorize as part of this duality refers to the political orientation of published newspapers, mostly GP and RP. Actually, political orientation could be seen in opposition to the independent and free role of the media as watchdogs of democracy. It poses a dilemma. In both organizations the issue is handled differently. In MRP political orientation is mainly relevant
for RP, where it has its origins. However, the political, or more specifically the Christian, orientation has also entered into the group principles. These principles explain that standing with a Christian orientation is not in conflict with being non-partisan. That founding members were also politically active, and that RP initially represented the Christian direction and thereby also the CDU, can be considered a historic dilemma which however was essential in the identity formation process of RP (see Chapter 5). Similarly, in Stampen and in particular GP, political orientation was a historic ingredient. Harry Hjörne used GP in political campaigns. However, the political orientation of GP was changed in order to clarify its non-partisan standpoint. With the acquisition of Centertidningar the issue was again on the agenda even though it was solved by using the rather generic label of “liberal” which suits different political parties. This label allows a non-partisan standpoint. In addition, as in the case of GP, the political editorial is often disconnected from the remaining editorial, which seems to be standard in the Swedish press (Gustafsson & Rydén, 2010; Jigenius, 2008). Having introduced “tidningschefer” who, as editor in chief and CEO at the same time are responsible for the commercial as well as the journalistic side, the issue could become more relevant in the future.

In the main outlets of both organizations, RP for MRP and GP for Stampen, the owning families have strong influence and take an active role as publishers (MRP) or editors (Stampen). It seems that in both organizations the boundaries seem to become more fluid, particularly as the joint sales desks in the German organization consist of members from the dual structures, e.g. commercial and journalistic. Thus, the newspaper organizations work with strategies to overcome the tensions which are a result of the duality (Achtenhagen & Raviola, 2009). The dichotomist view of commercial and journalistic view is overcome, i.e. tensions are balanced, through joint meetings of the traditional counterparts in RP, or by introducing combined posts in Stampen.

RP’s editor in chief Gössmann explains:

“What can we do editorially to be more noticeable in the new neighborhood XY? What activities can you “sales and readership” [he refers to the organizational unit “sales and readership”] then do which bring people to the newspaper. This is also a question for the website and marketing. It has been described here, among other things, that we have set up a sales-desk besides the news-desk, where representatives of all the publishing divisions meet to discuss the right way to get one or another special product, the series, or cooperation on its way or just a marketing initiative, how our next carnival wagon will look in the Carnival […] This is a simple example that only shows that we must talk to each other and must also be more open for each other than in the past. This works well and gradually better because there is growing awareness everywhere that this house is built on several pillars and there must also be also crossbars.”

With regards to tensions Gössmann elaborates:
“Tuning difficulties, such as divisional rivalries, cost energy, and if one leaves those aside then we would have energy and time for other things.”

Achtenhagen and Raviola described similar tensions, and they argue that managers need to manage the tensions arising from the dualities. I suggest considering the role of owners more closely, as particularly central to a family businesses, because the media industry and particularly the newspaper industry is signified by family ownership (Djankov, et al., 2003). In RP, some owners are also publishers and thereby they combine dual roles as they ultimately have journalistic responsibility (as publishers) as well as having to face the economic consequences of their policy (as owners). In RP the publisher takes part in the publishers’ conferences where, according to several participants, opinions are exchanged freely. Nevertheless, the outcome of these publishers’ conferences influences the direction of editorials published in the newspaper and thereby constructs an organizational identity. Sven Gössmann, RP’s editor in chief, talks about the conferences:

“Families take part, for example, in the publisher conferences, where it ultimately always goes… we always discuss a little bit off track. Then again we are sometimes also quite focused on discussing journalism or about global politics. The publishers’ conference is about twice a year or two-three times a year. Discussing major events, how does the newspaper see it? What has since happened? How are we to interpret this election? How do we prepare ourselves for the subject “national election”? Such issues will be discussed under the chairman Dr Arnold Senior, with senior editors. These are exciting events, as there is an exchange, but I have not perceived that as a conflict. But as I said, there can of course always be other constellations where this is different, such as the best example, Süddeutsche Zeitung [another German newspaper]. Here, thank God, there have not been such problems [see footnote 11]. I think the Rhinean composure may help a little there. In the Rhineland you discuss a lot, I think, beforehand so conflicts do not escalate.”

As can be seen from Gössmann’s statement the actual publishers’ conferences are more abstract and open. The conferences take place regularly and in relation to certain events. Thus they can be regarded as purposeful recurring events for organizational identity construction. He also mentions however that critical issues are discussed before and are not necessarily brought to the publishers’ conference. As also mentioned in 5.4, the chairman Gottfried Arnold is said to be a very consensus-oriented moderator and chairman. Since he sets the agenda for the publishers’ conferences it is likely that potentially conflicting issues are dealt with beforehand. This can be seen as one way of dealing with tensions (Evans, 1999). The publishers’ conference is the arena where the duality “owner-publisher” is most evident. As I reported in 5.4 for instance, as one of the publishers Esther Betz takes an active interest in the reactions of readers. She also sees it as her obligation to take part in the cultural events about which the newspaper is reporting. This commitment from owners is seen as typical in family businesses (Carlock & Ward, 2001). Owners can thus
maintain the values of the family business. At RP, the owners not only demonstrate their ownership and commitment to the business but also keep their values, the “Christian spirit” alive. This is an important arena for constructing MRP’s organizational identity by managing duality. The owners have a direct impact on discourse in the main outlet of MRP, on a continuous basis.

As Cecilia Krönlein reported Peter also has an impact on GP due to his presence and his role as political editor. Jonathan Flak, the editor in chief, also consults and discusses newspaper issues with Peter. The political section, however, is not under the supervision of the editor in chief. Similarly, the role of publisher is different in the Swedish media system compared to Germany (Jigenius, 2008). Even though there might be similarities, owners in Sweden and Germany interpret the role differently. In MRP, the owners consider it as an important role which they use to influence, for instance, RP. In Stampen, the Hjörne family has disregarded this position and Peter Hjörne instead has been editor of the political pages.

It will be interesting to see how the next generations take on this duality. In RP several members of owning families take part in the publishers’ conferences. Whether and how the next generations will take on this task still seems to be unclear, however. In Stampen, the coming generation seem to focus on their role as owners.

### 7.2.3 Dependence – independence

This duality can also be described as “competition-partnership” (Evans & Doz, 1989). It is present in both organizations. It requires attention from management but also from owners. I start by illustrating the case of Stampen. Tomas Brunegård argues as follows:

“The guys in IMD, with whom we work, see this as a, they call it the, well they talk about family and business if you are a family company and they…you need to have shared agenda or a…they have such a good expression for this. Parallel processes. Have you heard that? Parallel planning processes. So the thing is that the company has evolved much faster, but the owners are not coping with that at all because there is a new generation of Hjörnes and a new generation of Nordgrens. And they are working what is their cradle what’s their reason of being. And so, we are…Peter is working on his…how should the family relate to Stampen AB? And then we have our work, how is Stampen AB relating to all our partnerships and subsidiaries? And this needs to go hand in hand.”

As CEO, Tomas sees this as an important point on his agenda. However he also refers to Peter in particular with regards to the family. He refers to him as the “spider in the web”. In an article Tomas revealed an underlying reason for the duality:
“The strategy of my company, the Stampen Group, is based on the assumption that strong local newspapers have to cooperate and share the costs of new media concepts and platforms. Over the past four years, we have acquired majority holdings in no less than 23 Swedish newspapers, and we are cooperating with another 23 or so.” (Brunegård, 2007, p. 13)

This reason is likely also present in MRP (see 5.4). I started by arguing that this is a family business duality (Nordqvist, et al., 2008), but this duality is not exclusive to family businesses. As Evans and Doz argue that it is common in multinational companies (Evans & Doz, 1989). What maybe more unique for family businesses is the involvement of family owners and personal relationships which support this duality. In Stampen, the Hjörne family has had long time cooperation with the Hörling family (see 6.1). That cooperation culminated in the joint acquisition of “Centertidningar” and in Lennart Hörling becoming the chairman of Stampen’s board of directors. The competition between Stampen and NLT might not be so evident but there has been competition in the advertising and printing market (Lindström, et al., 2003). Similarly in MRP, there is cooperation, for instance with W. Girardet where “Westdeutsche Zeitung” and RP are competing directly for readers but cooperating with each other in advertising in the joint venture “Kalaydo.de”. In addition, W. Girardet and MRP have mutual minority shareholdings with representatives in their respective governing boards. Both organizations have undergone mergers and acquisitions in recent times. MRP acquired the remaining parts of NZV where they had held shares since the 1950s. Kurt Pfeiffer, the manager for organizational development, describes how this will be managed:

“We have also already heard from Neuss’ colleagues, that they are looking forward to the improvements with regards to IT. Significant improvements, but for both sides. I earlier said we decided to introduce a new editorial system here, we want to work with “Idosmetod” in the future and we want to do this together. That is connected to changes for our editorial team, as well as for Neuss’ colleagues who will then work with this system and these are things we can develop very nicely together. Or there are also structures in Neuss, where they puts the logistics, delivery, and distribution for newspapers, advertisers and direct distribution practically in one unit. This is a very interesting model for us here. Our structures are strictly separate at the moment and we want to look at how exactly this model works and whether it is the better model. So this is not to say we know we have already found the philosopher’s stone and all others need to watch us, but we also want to learn how to make things better together.”

That there are tensions on the owners’ side has been mentioned by Irene Wenderoth-Alt who points to differences (see 5.4). The owners’ involvement can apparently be ambiguous. In my opinion the personal involvement of owners in these dualities is a way of managing tensions. At the same time, the owners can make sure that cooperation does not interfere or harm the core
activities which they prioritize, e.g. RP and GP. In the case of NZV the former owners had similar motivations which led to conflicts which could, however, be solved. It is likely they felt the ownership as an expression of themselves (Pierce, et al., 2001). This example shows that managing tensions is not always easy and with regards to the construction of an organizational identity it is a continuous process.

7.2.4 Historical paths – new paths

This duality exemplifies the interrelatedness, for instance, of the dependence-independence duality and the historic-new paths duality, which is associated with owners. As I described in 7.1 the historic paths in both organizations are closely related to the respective newspapers GP and RP. Tensions potentially correlate the role of the traditional historic paths, which are supported by the older generations, and those that are supported by the succeeding generations who, for instance, support the new media (Nordqvist, et al., 2008). These and other tensions are balanced by involving the different generations in events that should illustrate their role. In Stampe n Peter works with this not least by attending courses at IMD which should illustrate the complexity.

In both organizations I categorised going abroad as a new path. Kurt Pfeiffer, the manager in charge of organizational development in MRP, says:

“Here we invested during a crisis, because there a lot of things during a crisis you get much cheaper. And when the crisis is over, when the economy is really attractive, then you’re in good shape. The best example is our printing factories in the Czech Republic - we bought them, in 1998-2000, which were the post-revolutions years of crisis in the Czech Republic, where things did not go well. When the economy had been properly tightened again in 2001 we were pleased with the new local printing factories and had a large capacity with a quality that no one else could offer, and were quickly filled with printing jobs.”

Pfeiffer describes the anti-cyclical approach which was taken when investing in new printing factories in the Czech Republic. In 7.1 and 5.4 I already described the efforts of working together with the Czech and other organizations. In the beginning there was a rather one-directional stream of knowledge and investments from Düsseldorf to Prague, which has caused some irritation. But there were initiatives that benefitted both sides mutually, as Kurt Pfeiffer explains:

“But also this intensification is actually only on these platforms. So you must organize this. It makes no... It will not work by itself and it will not stand alone, but one must really be there. We did that already in the past. We have had printing talks, where the heads of printing have informed each other about specific topics, such as what was on the system. We already did that with IT. I know that also the editorial staff, distribution, sales, readers market units also have contacts and are also exchanging with the colleagues in Prague. But as I said, I think we can intensify this exchange.”
As he describes it there are several efforts, on different levels, to work together. These efforts can be understood as a way of balancing tensions between the units (Evans & Doz, 1992). According to Evans and Doz (1992), dualities can be complementary. They go on to argue that, when it comes to international activities, it is important that local companies have sufficient autonomy. In that regard the local manager Roman Breitenfelner talks about the organization in the Czech Republic:

“Actually, the model works very well because we are working in a very transparent way, working very well together. Very informal I would say... but of course, also influenced by the parent house”

An issue that concerns international cooperation is the language. Roman Breitenfelner is Austrian, with German as his mother tongue. He is the only non-Czech speaking manager who is permanently present in the Czech Republic. He tells me that the official language is Czech as they are a Czech publishing house. When there are visitors from Germany they either use English or interpreters. They also offer to pay for language courses for their employees but he insists that the employees can choose the language; it does not have to be English or German.

With regard to possible tensions between the different generations of owners, the current owners undertake various initiatives to introduce the younger generations to the business. There is an illustration from one of the owning families in MRP. Lisa Alt explains:

“Yes, it was so, that my mother has never tried to encourage us in any direction. Of course, it was always a part of daily conversations, what is going on with the RP, what just happened.”

Her mother adds:

“I consciously exempted the children, because a physician who was reluctant to take over their father’s practice, a physician, has almost killed me several times. That was an important experience for me. I told them, whether you like water, forests, circus stuff or being an astrophysicist, it doesn’t matter to me, as long as you are in there, you like doing it and you’ll get a pension from it. […] But it is really quite important that it comes from them, because I was very much steered by my father, not by my own will. I would have liked being in the writing guild.”

Peter Hjörne also works with his daughters as the following quote illustrates:

“I never asked the children if they wanted to work at GP. I have, however, asked them if they feel ready to take on the ownership and the responsibility which comes with the task. […] If the children had not been interested in taking over the business, it would have been better for them, as well as for Stampen, if they had gone their separate ways. But the children, as well as their two cousins, have now said that they are prepared to pick up the ownership baton and take responsibility for Stampen’s future. Needless to say, I am
extremely pleased and feel that they and Stampen will be successful together.” (Stampen, 2009, p. 38)

Working with the different ownership generations is not exclusive to this duality, but it is possible that tensions between different generations occur in relation to both historic and new paths (Nordqvist, et al., 2008). In the family business literature, researchers argue that ownership is a socialisation process (Koiranen, 2007). Koiranen (2007) argues that owning families socialise the younger generations into the business. Nordqvist (2005) and Hall (2003) have also described different dimensions of ownership which influence the construction of an organisational identity. Socialization processes with younger owners can help to transfer the values and traditions of a family business (Hall & Koiranen, 2007).

In this duality I described how the organizations work with historic and new paths. The historic paths are related to foundations and to the founders. Ultimately, owning families have great interest in preserving historic paths. Some argue that the need for business renewal is something that comes from the business side and new paths are an expression of it (Nordqvist, et al., 2008). However, this renewal may also come from, for instance, younger generations who prioritise differently than the older generations. This may lead to tensions. These tensions can be eased or managed by socializing younger generations to the business and to becoming owners. There may still be differences between generations but they may help to rejuvenate the business (Hall, 2003). This duality shows many similarities to the well described duality of continuity and change (Chreim, 2005). Accordingly, organizational members, and in particular senior managers, use narrative strategies to emphasize continuity and change in an organisational identity. Family members can be seen as an even more important source for organizational identity construction even though they may not formally hold management positions. Similarly not all members of an owning family are necessarily formal owners. It is enough that they are perceived by organizational stakeholders as potential owners. An owning family in a family business is by definition interested in continuity, i.e. that they stay owners and benefit from the business. This supports the continuity of a family business (Hall, et al., 2001). From an ownership perspective continuity and change may be viewed differently than from an organizational or business perspective. The latter perspective focuses almost exclusively on managers. Proponents of a dualities perspective are very critical of the mainstream management literature (Evans & Doz, 1992; Sutherland & Smith, 2011) but they do not account for the peculiarities of family businesses, e.g. the importance of owners. They typically refer to managers who have to deal with tensions resulting from dualities. I therefore retain the label of historic paths-new paths, as it is coined for family businesses even though it shows parallels to the classic continuity-change duality.
### 7.3 Summary: Dualities and organizational identity construction

Based on my empirical study I found that dualities are present interdependently and interconnected. The duality categories are related to themes which are context-specific (see Table 14).

**Table 14 Dualities, themes, and linkages**

<table>
<thead>
<tr>
<th>Dualities</th>
<th>Themes</th>
<th>Links to other dualities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Informality-formality</td>
<td>False oxymoron “professional but not publicly listed family business” Ownership duality</td>
<td>Being professional and being a family business is interrelated with all other dualities as well as the owner duality.</td>
</tr>
<tr>
<td>Commercial-journalistic</td>
<td>Owner-publisher Owner-editor in chief</td>
<td>Here the owners directly impact the organization. Owners take their stance and this stance influences, for instance, which partnerships are accepted and where independence is prioritised.</td>
</tr>
<tr>
<td>Dependence-independence</td>
<td>Competition-partnership</td>
<td>The owners play a central role as they are personally involved. Owners decide what is “theirs” and what they are willing to share. Journalistic preferences are an example. Similarly historic paths are more “dear” to owning families, e.g. independence is important.</td>
</tr>
<tr>
<td>Historic paths-new paths</td>
<td>GP, RP =&gt; newspaper (old media) Internationalisation, new media</td>
<td>This duality is directly linked to all other dualities as it characterizes the organizations. For instance journalistic missions are cherished and economic soundness is seen as important. New media influences behavior towards competitors and new partnerships are established.</td>
</tr>
</tbody>
</table>
7 Dualities and organizational identity construction – a comparative analysis

Following Farjoun (2010), I argue that dualities are mutually enabling. For instance, by following a strategy that focuses on both independence and dependence, Stampen and MRP have had success in their business. In the media industry commercial success is also dependent on journalistic credibility. In the studied newspapers GP and RP, the journalistic mission and credo is closely related to the organizations’ history and founders. Thus, organizational members become keepers of the journalistic mission. The organizational members in MRP share an organizational function, e.g. being publishers, but the publishers are also owners. This paralleled in Stampen, where Peter Hjörne particularly had this function, even though he is not publisher of GP but political editor, and as such influences the content in GP. The mutual enabling aspect of commercial success and journalistic mission can clearly be seen in the founding history of RP. Because they followed their journalistic mission of being non-partisan and thereby breaking with the traditional party press they managed to survive the license period. Their fellow Düsseldorf licensed newspapers did not follow this clear-cut separation from their associated parties and were less successful - they ceased to exist.

This episode also illustrates another aspect of dualities, e.g. that they are not acute at the same time or to the same extent. This may be explained by the nature of dualities, where tensions are balanced. Evans and Doz (1992, p. 90) suggest: “Environmental events are likely to compel focus on one polarity of a duality rather than the other at a particular time – an organization is never in a state of balanced equilibrium.” They go on to argue: “Organization require a minimal degree of consensus, but not so much as to stifle the dissension that is the lifeblood of innovation, and a minimal degree of contentment and satisfaction sufficient to ensure that key actors wish to remain with the firm, but not so much as to allow arrogance or complacency.” (Evans & Doz, 1992, p. 91)

Commercial-journalistic duality was externally introduced in MRP but became a fundamental pillar in the development of the group. As could be seen in MRP, later generations may move the emphasis further towards commercial. This is even more evident with political orientation. A proximity to the Christian democrats was also intended by the British authorities but with the clear delimitation of being a party newspaper. This demarcation was retained. In comparison, Stampen, which did not have an external authority demanding a clear delineation, took longer to change their political orientation from “folkparti” to a more generic “liberal” orientation. This was most likely due to the special context of post-war Germany, but Harry Hjörne and his successors were always eager to run a commercially successful newspaper. This also seems to be a “heritage” from the near bankruptcy of the period before Harry became owner of GP in 1926.

The importance of external interest groups is seen in MRP where the British authorities implemented the duality of following the commercial and journalistic mission which was common in Anglo-Saxon countries (Hallin &
Mancini, 2004) but was uncommon in the German tradition, where party newspapers had been the standard (Hüffer, 1995). In MRP’s case the initial duality remained and gave way to further dualities. What can further be seen is that current management interprets the duality differently from how it was intended by the British authorities. By emphasizing the importance of the commercial dimension, the original duality is re-interpreted. This shows that two sides of a duality have a time dimension which is in line with assumptions about organizational identity, e.g. continuity. In other words, the dualities show continuity which makes them identity-relevant. Some might not question the existence of dualities but question their relevance in terms of organizational identity. Continuity is a criterion which is not only included by proponents of the social actor perspective but also by proponents of the social constructionist perspective (Gioia, et al., 2000). It is however not the mere existence of continuous elements, e.g. dualities, but more importantly their ongoing construction which makes them part of an organizational identity. Both organizations work with these dualities in this manner. For instance, MRP has developed guiding principles which reflect the dualities. Investment decisions and decisions to enter new markets are matched against these principles. The supervisory board and the shareholders assembly have the final word. Both organs are dominated by the owning families which also underlines their importance.

Working with dualities and balance tensions also has another dimension for owning families. In particular, when there are several owning families and generations involved it is known that conflicts can have severe consequences if they are not balanced (Gordon & Nicholson, 2008). Conflicts between owners can endanger an organization’s existence. Therefore it is important that there are persons who see their role as balancing tensions. Gottfried Arnold has been described as such a person who seeks solutions that all can agree upon rather than fueling conflicts which is a way of balancing tensions between owning families. Many interviewees refer to his role as chairman of the board but he is also regularly in the office which gives him the opportunity to be in constant exchange with the management, other owners and employees. He describes this as an important task for him that he can communicate and discuss with the managers at the office. In Stampen, Tomas Brunegård is described and he describes himself as the person who manages the different owner interests. He also says that he is in close contact with Peter Hjörne. That he is not personally an owner could be an advantage in certain discussions. He emphasizes that it takes a lot of time to coordinate and communicate with all the different owners within Stampen due to recent acquisitions. This example also illustrates that even though owners are central in organizational identity construction it is not necessarily so that they have to act and manage all dualities themselves. As in the case of Thomas Brunegård it is also possible that a trusted person acts on behalf of the owners. This is certainly also a consequence of contextual aspects like size and number of owners.
There are several locations that matter for organizational identity construction. Locations can be related to formality and informality. An important formal arena is the boardroom. In MRP, this room is located on the highest floor of the building and portraits of the founders are displayed. In Stampen, Harry Hjörne’s old office still exists and is used as a boardroom. These are visual elements which help construct the organizational identity of a family business. They give legitimacy to current owners, and historic references are a known tool for organizational identity construction (Blombäck & Brunnings, 2009). Both organizations offer a trainee program. The trainees at MRP where impressed by the selection process and the involvement of top executives which gave them the impression of sincerity. It helped them to develop a sense and an understanding of the expectations of the organization. In Stampen, the trainee program was newly introduced when I started my research. According to the trainees there was no direct contact with the owners but there was contact with Tomas Brunegård. In MRP it became clear that the owner families and publishers had an impact on the business which is in line with what Alvesson and Empson (2008) have suggested. In RP they make the ultimate decisions over the editor in chief. This gives them power over the discourse in the newspaper. They occasionally contact editors directly to make a comment on an article, and thereby remain present in the organization. A similar role can be ascribed to the Hjörnes who are also present in the organization.

<table>
<thead>
<tr>
<th>Family business and industry dualities</th>
<th>Organizational identity construction</th>
<th>Family business identities</th>
</tr>
</thead>
<tbody>
<tr>
<td>individual-organization</td>
<td>owner-publishers</td>
<td>owner-political editor</td>
</tr>
<tr>
<td>owners, managers and other stakeholders manage dualities by balancing tensions</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Figure 15** MRP and Stampen: from dualities to family business identities
Figure 15 above shows organizational identity construction in MRP and Stampen from a dualities perspective. It summarizes the discussion in this chapter. This sequence model, which moves from dualities to organizational identity construction to family business identities, will be the basis for further discussion and elaboration in the next chapter.
8. A dualities perspective on organizational identity construction

I argue that dualities are a peculiarity of family businesses. Dualities lead to tensions which need to be managed in order to keep an organization vital. I also argue that a dualities perspective is suitable for understanding organizational identity construction in family businesses. In other words, I understand managing dualities as organizational identity construction. In my empirical study I found that organizational identity construction on the basis of dualities results in what can be called family business identities. In this chapter I elaborate and extend my reasoning further. Below I present a description of the general process, i.e. from dualities to organizational identity construction to family business identities (see Figure 16). This is a simplification to illustrate the process. There is no sequential order inbuilt. It rather shows how I went about my analysis. This depiction will be revised in this chapter. I devote attention to the different elements of this process.

![Diagram](image)

**Figure 16** From dualities to family business identities
8.1 A dualities perspective

In Chapters Five and Six I used a categorization of the empirical material according to a set of given dualities (Achtenhagen & Raviola, 2009; Nordqvist, et al., 2008). As I argued before, these dualities characterize an organization in its essence or nature and are therefore (organizational) identity relevant. However, not all dualities shape or characterize an organization in the way I described them in Chapters Five to Seven. There can be further and other dualities which also require action but they may not shape an organization to the same extent. Dualities offer a different perspective on organizational phenomena. The literature on dualities is very clear that dualities lead to tensions which can and should be managed (e.g. Sánchez-Runde & Pettigrew, 2003). Applying a dualities perspective to organizational identity construction was suitable for two reasons. First, managing dualities offers a focus on the activities and processes of organizational identity construction. This is important as it specifies the contribution of construction to organizational identity construction. By focusing on the activities of owning family members, their central role becomes clear. Secondly, dualities are a suitable perspective for understanding the peculiarities of family businesses. I discuss the former in 8.2. As these two aspects are interrelated and interdependent I discuss the dualities perspective in the following.

Family businesses can be described via multiple dualities (Brundin, Johansson, Johannisson, Melin, & Nordqvist, 2012). For instance, Melin describes the common dualities of family businesses as being family and business, the good and the bad, tradition and renewal, development and settlement, local and global perspective, homogeneity and heterogeneity, business and sentiments, power and submission, and work and leisure/family (Melin, 2012, pp. 12-14; my translation). Melin goes on to argue that these dualities are tensions which can be both fruitful as well as lead to negative consequences for family and business. I argue that certain dualities are relevant for organizational identity construction in family businesses, as they characterize them. The general or mainstream family business literature is still heavily influenced by thinking in terms of dualism, i.e. seeing family and business as independent and separate spheres. For instance, Hoy (2012, pp. 117-118), in reviewing Ward’s (1987) influential book on family business, points to the fact that “He [Ward] typically introduces a number of likely contradictions or conflicts that may result from family involvement. These chapters are designed to warn family business owners about how family issues may jeopardize the success of the firm.” Hoy goes on to explain that Ward’s book was one of the first to be based on empirical research, not only on anecdotic stories from consulting (Hoy, 2012). Of course, Ward was a “victim” of his time, i.e. he was one of the pioneers who made it possible for family business research to develop (Sharma, Chrisman, & Gersick, 2012). One of the
assumptions which Ward holds and which still can be found in more recent works is that of dual systems, e.g. family and business as subsystems which are part of a meta-system (Kepner, 1983). This approach, even though fruitful in the initial stages, has also been criticized for narrowing and limiting understanding of family business (Whiteside & Brown, 1991) because too much attention has been devoted to the sub-systems without seeing entirety of family and business. Nonetheless, this thinking is still apparent in the works of, for instance, Shepherd and Haynie (2009) or Sundaramurthy and Kreiner (2008) whose work is influential in identity research in the family business context (see 3.3). Traditionally, the family business literature viewed family business as a dualism with opposing goal structures (Carlock & Ward, 2001). Recently, taking more of a practitioner’s approach, Schuman et al. (2010) speak of the family business as a paradox. Some argue that a paradox is similarly a duality (Achtenhagen & Melin, 2003).

Zellweger (2013) has also noted the inconsistent results of research into family involvement on firm performance. He suggests taking a paradox perspective as a new angle to research the linkage between family involvement and performance. He argues that current research is dominated by approaches assuming and examining linear relations, but that relations could be more paradoxical or less linear (Zellweger, 2013). In his view the paradox perspective is suitable as it reflects the nature of the relations of family and firm. Zellweger’s paradox perspective follows a similar reasoning to my reasoning for a dualities perspective. Zellweger’s (2013) starting point is family involvement and performance. The dualities perspective I propose concerns organizational identity construction.

Schuman et al. came up with typical paradoxes for family businesses during generational shifts although these are different in each generation and the paradoxes follow the stage model of Gersick et al. (1997). This is a result of their practitioners’ perspective. Furthermore, they came up with six paradoxes which they label family business system conflicts, e.g. between the three circles as suggested by Gersick et al.: family, management (business) and ownership. Even though Schuman et al. also propagate a both/and logic instead of either/or logic they are still very reliant on Gersick et al. (1997). What is even more noteworthy is that even though they claim that paradoxes are commonplace in family businesses they still present it as a management problem that can, if handled correctly, lead to better outcome and performance. Recent research (Haag, 2012) shows that this view is problematic, for instance in succession issues. Instead, succession could be viewed as a practice which involves several actors. This view gives a new perspective on understanding family businesses. Some literature on dualities could be accused of the same, i.e. a management problem that can be fixed. However, I agree with the research which argues that dualities are a new perspective that can generate new insights (Evans, 1999; Graetz & Smith, 2008; Janssens & Steyaert, 1999).
By taking a dualities perspective it is possible to see family businesses in a different light. There need no longer be family or business, but both together: family and business. The dualities which I found are empirically supported and are reflected in the literature. These dualities allow an understanding of organizational identity construction as a process of balancing tensions resulting from dualities. A dualities perspective allows the understanding of further phenomena in the context of family business, because it accounts for its peculiarities. This changes the focus from looking at either the family or the business. Instead, the focus is on owning family members and their activities, i.e. what they are doing to balance the tensions between family and business. My reasoning advances recent theory emphasizing the dual nature of family business (e.g. Stewart & Hitt, 2010). Stewart and Hitt (2010) base their reasoning on structural domains which appear as dualism in family businesses. Their dichotomous view raises several questions which are relevant. However, a dualities perspective which emphasizes the interconnected and interrelated nature of family and business goes one step further because of their interdependent and interconnected character. Eventually, owning families are in the position to steer their business and thereby construct organizational identities. The key for this is their involvement in the business.

The dualities perspective can shed new light on issues of governance in publicly listed yet family controlled firms, for example, that such companies may be able to both maintain a family business character (Boers & Nordqvist, 2012) and draw on advantages which are ascribed to family businesses (Zellweger, et al., 2010) even though they are listed on the stock market. Human resource management (HRM) has been one area where a dualities perspective has been used (Evans & Doz, 1992; Sánchez-Runde, et al., 2003). This area has been long-neglected in the family business context (Astrachan & Kolenko, 1994). In a study which compares human resource practices in family and non-family businesses it was found that family businesses differ in their practices (Reid & Adams, 2001). Others found indication that family businesses are less likely to use HRM practices (De Kok, Uhlaner, & Thurik, 2006). Evans argues that a dualities perspective is suitable for dealing with increasing dual demands (1999). Family businesses may be more prone to dealing with those demands due to the inbuilt dualities which characterize them. This requires awareness from family business owners and managers, e.g. that it can be useful not only to draw on the strength of family business but also to draw on, for instance, HR practices. Ultimately, the basic duality of family and business could be more present on a meta-level (Melin, 2012). Moreover, a dualities perspective offers a new angle for understanding the relationship between family and business. A consequence of the dual systems view has been to see family and business as separate. This misses the interconnected and interdependent relationship between the two units however. A dualities perspective looks at the activities and actions of owning family members which contribute to organizational identity construction. As organizational identity
construction involves other stakeholders than just owning families it is important to consider how owning family members interact with these other stakeholders. This behavior towards others will play a central role in organizational identity construction.

Within the organizational context the specific dualities are more relevant and visible. It may be useful to speak of family and business as a meta-duality (Achtenhagen & Melin, 2003) in that they combine elements of family and business. Eventually it depends on the context of the study into determining how dualities matter, but it is clear that there is interconnectedness and interdependentness between family and business which results in tensions.

8.1.1 Developing the described dualities

Chreim (2005) has referred to a continuity-change duality that can describe the construction of an organizational identity. Even though Chreim’s study refers to duality, it views the process of organizational identity construction as a duality of continuity and change. Continuity and change are central to understanding organizational identity and its construction (Corley, et al., 2006; Gioia, et al., 2013). From a dualities perspective however, the common duality may not be continuity and change but stability and change (Farjoun, 2010). Both refer to time, but these dualities could be on a higher level, so it is important to elaborate on continuity and stability. In the organizational identity literature the debate results from the enduring criterion of Albert and Whetten (1985) which has been rejected and modified to include continuity (Corley, et al., 2006; Gioia, et al., 2000). The underlying debate concerns whether and how an organization’s identity changes. That an identity changes is accepted by followers of the social actor’s perspective (Whetten, 2006) as well as followers of the social constructionist perspective (Gioia, et al., 2013). Proponents of the social actor’s perspective argue that change happens very slowly and over extended periods of time, social constructionists view change as happening more frequently and rapidly. Accordingly, Chreim’s duality of continuity and change is interesting as it mixes labels from both perspectives. Dualities are time-sensitive, e.g. they do not exist from the beginning of an organization but develop over time. They can be continuous over time if they are managed. Due to this long-term focus, organizational identity construction is not a single event, but an ongoing process (Coupland & Brown, 2004). The continuity-change duality is a classic example (Chreim, 2005; Evans & Doz, 1989). This duality describes a process. This duality is particularly relevant in the family business context as owning families have an interest in keeping the business in the family (continuity). However, achieving this may require change. Change is often connected to ownership or leadership succession. Research has problematized the challenges associated with succession issues. Viewing change as necessary and helpful in achieving continuity, i.e. seeing it directly related to continuity, may help in overcoming resistance. What the relationship is,
between continuity/stability and change is a fundamental question. It is possible to focus on this duality only. By taking a dualities perspective I suggest broadening the focus and including those dualities which characterize a family business. These dualities can be called family business dualities.

The duality of historic paths-new paths has similarities as well as differences to the classic continuity-change duality. There needs to be a historic path before new paths can be taken. This duality is “tailored” for the peculiarities of family businesses as it focusses on the owners and their impact on the business (Klein, et al., 2005). However, what becomes a historic paths is context-dependent and not a given. Once a historic path is established it functions as a reference point for new paths. Organizational members and in particular family owners will be interested in preserving the historic paths which may have become part of the organizational and familial heritage and key actors will be connected with it, as for instance Harry Hjörne is with GP, or Anton Betz in the case of RP. But this does not mean that there is no space for new paths, on the contrary, as the empirical cases show. New paths will typically build on historical paths in terms of resources and they can complement the historic paths. But what they also show is that new generations may initiate new paths (Nordqvist, et al., 2008). Nordqvist et al. (2008) further argue that owning families value their family legacy but this does not prevent them from renewing the business in order to be able to compete. Owning family members have the power base (Schultz & Hernes, 2012) to construct and reconstruct organizational identity. As owning family members they can interpret the stories and events of prior generations.

Managing the continuity-change duality is typically ascribed to managers (Graetz & Smith, 2008; Sutherland & Smith, 2011). As Schultz and Hernes (2012) note, it is necessary to have a power base for organizational identity construction. In family businesses, owning family members usually have the power base to establish new paths but they are similarly interested in preserving the heritage of prior generations which makes them prone to emphasizing historic and new paths. Tompkins (2010) found in her study that family business owners have a decisive role in organizational identity construction. However, her research followed a social-actors perspective.

Owning family members can selectively remember or forget elements of an organization’s history and therefore support identity endurance (Anteby & Molnår, 2012). This idea fits with the duality of historic paths-new paths. According to Anteby and Molnår (2012) which aspect of identity endures depends on its rhetorical history, e.g. which elements have been remembered and which have been forgotten. For the family business context this idea needs to be specified. I argue that dualities characterize family businesses as a peculiar context for organizational identity construction. These dualities can be seen as a natural ingredient in family businesses (Melin, 2012). Anteby and Molnår argue: “Repeated forgetting is manifested here in ongoing, deliberate omission of potentially contradictory aspects of an organization’s history (i.e., what we label “structural omission”) or the ongoing deliberate attempt to neutralize these...
contradictory aspects with valued identity cues (i.e., “preemptive neutralization”).” (2012, p. 516). Taking a dualities perspective it is also possible to argue that elements are not forgotten and organizations live with seeming contradictions because they perceive them as dualities and thus work with them, e.g., to manage tensions. As their study focused on memories, I am convinced that a dualities perspective could be suitable. However, forgetting the family business context could also indicate that events are more “stored” and visible at the owning families, rather than the business level. This does not exclude family members’ portraits in business facilities. Due to the interdependent and interrelated nature of family, the business aspects of an organizational family business history could be located in the family and from there also be accessible for the business. Thus, owning families are repositories of historic paths as well as sources for renewal, e.g., new generations entering the scene (Nordqvist et al., 2008). With regards to the continuity-change duality the biggest difference is that it not only includes the organization but also the owning families which are decisive in family businesses. Thus the historic paths-new paths duality is more suitable for the family business.

The duality of formality-informality can be specified as part of the ownership duality which in turn refers to the relationship between the individual and the organization. Owners are also individuals who relate to the organization. Research found that owning family members may see the business as extensions of themselves (Hall, 2003; Hall & Koiranen, 2007). It might not always be evident to others whether family members are speaking or acting on behalf of themselves as individuals or as owners of the organization. For example, by adopting the accusation of being unprofessional and turning it around, family businesses can show that being a family business and being professional is not in contradiction. Being professional has no clear definition itself but it refers to individual behavior. Owning family members are often taken as role models and their behavior is equated with that of the business. It is clear that family businesses need a professionalism which accounts for their peculiarities (Hall & Nordqvist, 2008). This duality can also be understood as “wishful thinking”. Owners and managers want to be accepted as equals, i.e., being a family business does not imply unprofessionalism. However, by using this comparison family owners fuel the critics, e.g., if being a family business is no contradiction of being a professional business why must it be mentioned?

This duality is directed internally as well as externally. It is important to show external audiences that family businesses are as professional as publicly listed firms. That there are also scandals and examples of not so professional publicly listed firms, e.g., Enron or Worldcom, is another story which illustrates the paradox character of this reasoning. This duality is based on stereotypical perceptions of organizations. If publicly listed companies are seen as the most professional organizations, then family businesses can also strive for this (Stewart & Hitt, 2012). In other words, being as professional as publicly listed companies is something a family business can be. Stewart and Hitt (2012)
found several shortcomings in studies on professionalization in family businesses. Therefore they propose different modes of the professionalization of family businesses which account for their peculiarities, e.g. their intentions and capabilities. Family business owners can balance the tensions which result from acting professionally and being a family business. Different modes of professionalization, as suggested by Stewart and Hitt (2012), could be part of balancing tensions. Based on their specific circumstances, family businesses can professionalize to different degrees. For example, a critical issue for many owning families seems to be how much they report financial results of the business. Within a given legal framework owning families can decide to disclose only certain key figures to outsiders and leave the rest only to the shareholders. Gómez-Mejía et al. (2007) also stress the dual nature of family businesses by arguing that family business owners are not exclusively interested in the financial value of the firm but also in the socio-emotional wealth of the firm. In other words, owning families can prioritize. Owner manager behavior sets an example for internal as well as external audiences. This leads to the ownership-duality. Owner managers represent the combination of individual and organization (Janssens & Steyaert, 1999). They have to take care of managerial issues and of ownership issues. The prior reasoning with regards to publicly listed companies which focus on short term results illustrates this. When there is no need to convince the public with quarterly reports, a longer focus is possible. However, also non-listed family businesses may have pressure to pay dividends to owners who do not work in the business. Therefore ownership is also something that needs to be managed (Gersick, et al., 1997). In this context, questions of who should own and how much need to be addressed. This issue becomes more important, the bigger and dispersed owning families are.

With regards to independence-dependence the following can be said. The duality can also be seen as competition-partnership (Evans & Doz, 1989). The notions may not correspond entirely since independence is not the same as competition, and partnership does not completely match dependence. But it is particularly relevant and beneficial for family businesses to also view the duality in this light. Many owning families prefer to be independent, but partnering with others can be beneficial. This duality can be connected to the historic paths-new paths duality. Owning families may want to stick with what is part of their history and heritage (Hall, et al., 2001) and will not therefore willingly give up parts of it (Sharma & Manikutty, 2005). Still, it can be useful to partner with competitors in order to preserve the heritage, as my empirical study showed. Family businesses that have been active in an industry for a longer time are likely to have personal relationships with competitors. They can build on these relationships and form partnerships (Sirmon & Hitt, 2003). Partnerships with otherwise competing owning families can be an asset over generations (Ramírez-Pasillas, Sandoval-Arzaga, & Fonseca-Paredes, 2011). Viewing independence-dependence through competition-partnership could be attractive for owning families as it refers more to the organization and how the
organization relates to other organizations. This is probably easier to implement and get support from non-family members. However, for an owning family questions of independence and dependence are probably equally important and balancing these could be achieved through partnerships and competition.

Finally, there is an industry duality, commercial-journalistic. Industry provides an important context for organizations. An industry includes peers as well as competitors which is an important context for organizational identity construction (Clegg, et al., 2007). Industries have their own logics, e.g. codes of conduct. The media industry is signified by the duality of commercial-journalistic (Achtenhagen & Raviola, 2009). Owning family members may interpret this context differently and can take on different roles, e.g. as publishers or editors. The industry is an important reference for organizational identity construction (Gioia, 1998; Whetten, 2006). Family businesses do not rely only on the fact that they are family businesses to construct their identity. Rather, some research indicates that family business is a secondary association (Blombäck, 2009). Therefore, owning family members and in particular those who are actively involved in the business operations need to balance the tensions which result from an industrial logic. But, owning family members are often proponents of an industrial logic which drives, for instance, resource allocation (Mustakallio, Autio, & Zahra, 2002). This industrial focus is often combined with long-term orientation (Brundin, Florin Samuelsson, & Melin, 2008) which links this duality with historic paths-new paths. A reliance on accepted recipes and logics also includes a risk of missing changes that can threaten an entire industry (Melin, 1985), and therefore the link to new paths is essential for the long-term survival of family businesses. The media industry represents a special case, as established business models are questioned and new models need to be developed (Raviola, 2012). Owning family members can play a vital role in balancing these tensions because their role as owners usually gives them more freedom to act than non-owning managers. This addresses some of the questions about how tensions are managed in newspaper organizations (Achtenhagen & Raviola, 2009). When owners also have a role in the newspaper, e.g. editor or publisher, they can influence and balance tensions better because they are visible in the organization. But this requires an active role, e.g. taking part in organizational discourses which concern the orientation of the newspaper. Also how much money the owners leave in the business and how much they extract through dividends is addressed in this duality.

8.2 Organizational identity construction

I argue that viewing organizational identity construction as balancing tensions which result from dualities is new. It shows a shift in perspective from the rather static and universally definable asset of an organization, e.g. organizational identity according to the social actor perspective, towards
dualities which require a more ongoing and continuous work with identity, e.g. construction. A dualities perspective focuses on certain aspects of organizational identity construction, namely dualities, and how organizational members balance the resulting tensions. This perspective does not neglect external aspects of organizational identity construction, e.g. how external stakeholders are treated or how an image relates to dualities. But dualities are essential in family businesses and require special attention which puts owning family members in the focus of organizational identity construction. Viewing dualities as the basis for organizational identity construction accounts for viewing organizational identity as collectively defined (Hatch, 2005). This perspective further emphasizes the importance of owners and ownership in organizational identity construction. This is a new aspect particularly relevant to family businesses which have not received much attention in the organizational identity construction literature (cf. Dhalla, 2007) or in the literature on family business and organizational identity, which does not look at construction but still works with the concept itself.

In a family owned and controlled business both family and business are important for organizational identity construction. However, as I showed in the previous discussion there are more dualities than just family and business. This basic duality might not be so explicit to the organizational public, as it can be rather abstract, whereas the family business dualities (Nordqvist, et al., 2008) in their adjusted form (cf. 7.1) are more present in organizational life. Still, the basic duality of family and business imprints on organizational life. Being a family business is a distinguishing factor which allows the separation of those organizations from others which do not have this family business imprint.

Based on my empirical study I argue that there are family business dualities which have to be considered when, for instance, looking at organizational identity construction. Dualities and their handling have such a huge impact on organizational life that they shape and characterize an organizational identities.

After revisiting the dualities based on my empirical findings there is one aspect which became particularly evident. In family businesses, dualities are often directly related to owners and they are involved in managing these dualities even though they may not hold a managing position in the traditional understanding. In one way, family owners can be seen as a cure to the limiting perspective of viewing organizational identity as a purely managerial discourse. In family businesses owners and senior managers at least are involved in the organizational identity discourse. Since family owners are usually visible and active, it is easier for them to reach out to organizational members. Managing dualities becomes organizational identity construction when tensions are balanced. In the family business context there are interactions across the organization, the family, and individuals. It has to be taken into account that there are variations over time and organizations. In the family business context the ownership role and relationships are very essential. Managing dualities and balancing tensions have been positioned as a leadership task (Evans, 1999;
Graetz & Smith, 2008; Sánchez-Runde & Pettigrew, 2003) which is often considered a responsibility for senior management. With regards to family businesses this task is not necessarily an exclusive managerial task but rather a task for owners. In addition, owning family members must not only manage the dualities within the organizational context but also within the familial context (Schuman, et al., 2010). In general, the family business literature has paid some attention to ownership and it is still an important topic in the discourse (e.g. Collins and O’Regan, 2011). In the family business literature there has been an argument that family owners develop a family firm identity which is based, amongst other things, on ownership (Zellweger, et al., 2010). A discussion of family business identities follows in 8.3.

Svenningsson and Alvesson (2003) have introduced the concept of identity work and they emphasize that it is people who are engaged in working with identity. Bouchikhi and Kimberly introduced this concept to the organizational identity literature (Bouchikhi & Kimberly, 2009). In the organizational identity literature the more common term is identity construction. However, the focus is typically on management as an organizational function (Dhalla, 2007). Eventually, it must be asked who has an interest or claim in the organization. Scott and Lane (2000) argued that managers and stakeholders are the ones involved in organizational identity construction. Accordingly, managers have to manage the relationships between the stakeholders of an organization. However, this view has a certain kind of manager-dominated organization in mind, which is prominent but not the most common form. It is family businesses which are owner dominated that are the most common form of business organization. A purely managerial perspective does not therefore account for the peculiarities of family businesses. Identity ‘workers’ are not only managers but are also owners or founders or altogether. Therefore, a managerial perspective is not suitable and is misleading. Similarly, family business dualities are not exclusively located within the organizational context, some span boundaries and time. This underlines again the central role of owning family members who can bridge the organization and family.

The general management literature has only recently discovered the importance of owners in organizational identity construction (Alvesson & Empson, 2008) but without further elaboration. Being a member of an owning family mandates them to take an interest in the organization. They typically have the necessary “power base” to initiate organizational identity construction (Schultz & Hernes, 2012, p. 18). Family members who are also active organizational members, e.g. owner-managers, can strengthen or maintain these claims for internal audiences as well as revise them. This also becomes part of balancing tensions which are a result of the dualities. This illustrates the overlap which is typical for family businesses. Owning family members who are active in the organization are the link between the family and the business. In other words, they “create” the dualities which shape the organizational identity construction through their involvement. Organizational identity is an
organizational construct. Having said that, organizational identity construction is not an exclusive task of organizational members (Hatch, 2005). In the family business context in particular, family members often also have an indirect influence on the organization. The classic role dualities which often characterize family businesses are not the same as the dualities which I found which to exist at the organizational level however. These role dualities may or may not exist in parallel to dualities on the organizational level. Owning family members who take an active part in the organization have a role-model function irrespective of possible role dualities. They initiate, guide or interfere with organizational identity construction. In the following section I elaborate on identity claims.

8.2.1 Identity claims

I found identity claims in both organizations, such as that of being a family business. As I discussed before there are authors who argue that identity claims may appear stable but in fact associated meanings change (e.g. Chreim, 2005; Ravasi & Schultz, 2006). Moreover, identity claims are not important per se; rather it is how they are used and who uses them that are relevant in organizational identity construction. I want to illustrate this with an example taken from MRP: the subtitle of RP. Even though this identity claim comes from the newspaper RP it still has relevance for the entire MRP group. Furthermore, the subtitle is also reflected in the guiding principles of MRP. The current subtitle is *Newspaper for Politics and Christian Culture* but at foundation it was *Newspaper for Christian Culture and Politics*. This identity claim was decided upon by the founders and I interpret it as a result of its time, i.e. the Second World War had just ended and the British authorities intended to signal a political orientation but prohibited party political newspapers. Since the founders were also co-founders of the CDU a reference to Christianity was natural. However, this subtitle is not only focused on politics but also culture. Thus, it is already a duality in terms of content. Today, the claim is slightly altered in its wording. It might seem a minor change but the content, or more precisely its current interpretation, has changed. It stems from the licensing time when it implied certain proximity to the CDU but at the same time strict independence in terms of editorial independence and financial independence. Current editors and publishers still emphasize the importance of church related content, as in line with the subtitle, however. Thus, on the surface continuity is preserved but in terms of content the associated meanings have changed. “Christian” is considered synonymous with church. Gottfried Arnold even argues that by slightly altering the subtitle continuity is achieved, but it also shows that it has not remained unchanged. Even though the wording is almost the same it was possible to relate ‘Christian’ to culture and politics, whereas in the current claim it should relate to culture only. Yet, many interviewees also emphasized Christian values as present and important in today’s organization. An identity claim is a clear identity construct. The change of wording can be
interpreted in different ways. From one angle it could be seen as repairing, i.e. clarifying the non-partisan character of the newspaper. Others might have seen it more as maintaining the intended meaning by rephrasing it. Still others could argue that this was a revision, finally getting rid of the proximity to Christian politics. This extends current research which argues that continuity is maintained by keeping claims or labels, but that associated meanings change (Ravasi & Schultz, 2006; Whetten, 2006).

Brunninge argues that references to history can support continuity and discontinuity, e.g. by leaving out certain histories (Brunninge, 2009). Even though Brunninge does not explicitly refer to identity claims, others have argued that identity claims do indeed represent historic references (Blombäck & Brunninge, 2009; Ravasi & Schultz, 2006). This claim therefore illustrates the way that identity claims can also be carriers of dualities, or more precisely of dual meanings in terms of references to the past and future. Organizational members have worked with the claim and its meaning, which corresponds to working with dualities. This example illustrates the relevance of identity claims, but it also shows that identity claims can be relatively stable on the surface, while at the same time there are debates with regards to the meaning within the organization. In this case, this debate primarily concerned the publishers but there were also different opinions, for instance, that of the CDU (see 5.1).

These activities can also be seen as a way to balance the tensions inherent in the claim, which is a consequence of dualities. Dualities need to be balanced in order to draw on them (Sánchez-Runde & Pettigrew, 2003). Evans and Doz argue that dualities are complementary and therefore decision makers who deal with a duality should stay in the “zone of complementarity” (Evans & Doz, 1992, p. 89), that is, not focus on either extreme position. According to the literature identity claims are formal claims or statements (Schultz & Hernes, 2012). Dualities however, are due to their complexity, not necessarily visible or codified in formal statements. As I argued above, identity claims can be carriers of dual meanings. The dualities which I described, however, are rather abstract and therefore may not be directly translatable into identity claims. In other words, not all dualities may be represented in identity claims. Similarly, it is possible that there are several identity claims which are related to dualities. These may appear to be contradictions but since they are part of dualities they are not.

I argue that an important question is who can make identity claims? In my understanding this question is closely related to organizational identity construction. As Dhalla's (2007) review and modelling of organizational identity construction shows, there are some groups mentioned who take part in the construction of, and therefore are likely to make claims about, identity. Dhalla identified the board of directors and the senior management team as 'intra-organizational factors' contributing to the construction. The importance of the senior management has also been argued for by Scott and Lane (2000). Yet, this exclusive focus on the senior management in organizational identity
(construction) has been criticized by Gioia (1998). This leads to the social constructionist perspective which places greater emphasis on organizational members in general. Hatch was very explicit in arguing that it is not only one individual who determines the organization's identity but a collective of internal and external stakeholders (2005). This is an important difference as it includes external factors. Another example of the role of externals is the role of media (Kjærgaard, et al., 2011). Following this perspective, even though identity claims may appear to be stable, researchers found that associated meanings can change as organizational members renegotiate them (e.g. Gioia et al. 2000; Ravasi & Schultz, 2006). Coming back to the question of “who can make claims” both perspectives emphasize organizational members, occasionally with a focus on the senior management, and also acknowledge external stakeholders. This inclusion of external stakeholders can be problematic as it leads to ambiguity with regards to the nature of organizational identity. In my viewpoint members of the owning family cannot be seen as external even though they may have neither an ownership stake or position in the family business (Danes & Olson, 2003). Assuming that both internal and external stakeholders contribute to its construction, a consequence is that organizational identity is neither the subjective view of organizational members nor an image held by external stakeholders. This would indicate that an organization’s identity is never in existence but rather in constant flux (Gioia et al. 2000). This constant flux might be seen as an extreme on the continuum of organizational identity construction but I agree with others that organizational identity construction is an ongoing, continuous process (Brunninge, 2005; Coupland & Brown, 2004). The reason for this is rooted in the dualities. They require attention from the management and owners to balance tensions as a result of the dualities. This could be seen in the case of the subtitle of RP where the publishers and owners saw a need for change in order to clarify the stance towards a political party. In Stampen, the owners decided to take a course for the board members on how to deal with the tensions between being a family business and a media business. The identity claim of being a family business could be either a status or a distinctiveness claim, depending on the context. Moreover, as a result of dualities in family businesses it is also likely that these dualities are reflected in identity claims. With regards to family business dualities, it is also probably that there will be identity claims which reflect these dualities. Why is that so? Svenningsson and Alvesson (2003) have argued that people who are involved in identity work take part in five different activities, e.g. the forming, repairing, strengthening, maintaining or revising of identity related constructs. Identity claims are one of the most vivid identity constructs. In addition, they can be seen as symbolic values (Hatch, 2005) which organizational members, as well as internal audiences who are not members, can relate to. In the family business context family members can influence organizational discourse through identity claims without having to justify them or defend them. Organizational members often see them as the face of the organization. Therefore, they represent
continuity. Continuity is an important aspect of organizational identity construction. I have already referred to Gioia et al. (2000) who argue:

“An identity with a sense of continuity, however, is one that shifts in its interpretation and meaning while retaining labels for "core" beliefs and values that extend over time and context.” (p. 65)

Family members stand for and have an important impact on what is considered to be “core”. Being a member of the (owning) family therefore also allows alteration of meanings or interpretations of this core, as the reinterpretation of the RP subtitle shows, where the current generation expresses interpretations which deviate from what has been mentioned by members of the founding generation. Being a family business is a “core” belief and value which lasts over generations. Nevertheless, organizational members share the interpretation of current generations. Partly, this could be the result of the time lag. Current organizational members were not present when initial claims were formulated. In my viewpoint it also shows that their interpretation is believed to be plausible because they represent the owning families. In addition, new generations can be a source of organizational renewal which is necessary to succeed (Nordqvist, et al., 2008). What happens if an organization is no longer a family business? It is possible that an owning family may leave the business because they see a better future for themselves and the business if they go separate ways. There is research which indicates that this does not mean that the business stop being or behaving like a family business. For instance, Boers and Nordqvist (2012) describe the case of a publicly listed company which is still dominated by the founding family, who is represented and controls the board of directors. This company also uses the fact that they have a family who is the controlling owner of the business when acquiring a family business which gives them an advantage over other non-family controlled competitors. Zellweger, et al. (2010) even suggest that organizations which are not controlled by an owning family may still be able to draw on familiness by constructing a family firm identity. This may be an extreme case. Other research shows similar reasoning when arguing that organizations can build on a legacy of organizational identity, e.g. that members of a deceased organization still promote the organization and have it in their minds when talking to former colleagues, which lets the organization live further in these former employees (Walsh & Glynn, 2008). Similarly, Howard-Grenville, Metzger, and Meyer (2013) describe the resurrection of a collective identity of a community by using tangible resources, symbols and memories to re-establish authentic experiences which create a collective identity. This work shows intensive empirical depth and illustrates how difficult, but not impossible, such a project is. In other words, it is possible that an identity claim of being a family business can be resurrected.

Recently, Schultz and Hernes (2012, p. 18) argued that different memory forms influence organizational identity construction: “…what are considered central and distinctive characteristics of the organization in the past may
change, just as the ways in which central cues from the past influence claims from the future.” This sounds reasonable. They further argue that organizational members draw on cues for identity construction from an organization’s past identity construction. This means that organizational identity construction refers to several ongoing and interdependent processes. Referring to Weick and the role of the past they go on: “This invites more precise questions about the context of evocation, including the composition of actors and their respective power bases.” (Schultz & Hernes, 2012). This supports the importance of the historic paths-new paths duality as it refers to the ultimate power base in family businesses. Owning families have power over memories in regards to telling and giving them meaning about the history of the family business, as well as what they see as possible future paths. They are likely to take “ownership” of the discourse of identity claims. The claim of being a family business is therefore central and could be seen as a trigger for organizational identity construction.

In this section I elaborated on organizational identity construction from a dualities perspective in the context of family businesses. I underlined the role of family members not only as managers but as owners. In family businesses owners typically play an active role and steer the business for good and for bad (Brundin, et al., 2008). Literature on organizational identity construction has acknowledged the role of different internal and external stakeholders (Dhalla, 2007) but has paid no explicit attention to the peculiarities of family businesses.

In the next section I elaborate on family business identity as a specificity of organizational identity in family businesses.

### 8.3 Family business identities

Dualities need to be managed (Nordqvist, et al., 2008; Sánchez-Runde & Pettigrew, 2003), i.e. the resulting tensions need to be balanced which becomes organizational identity construction. The focus on the identity construction is not only a consequence of the constructionist perspective which emphasizes the dialogical and ongoing nature of organizational identity (Alvesson & Empson, 2008), it is also a consequence of the dualities. In this chapter I explain how dualities and organizational identity construction can lead to what I label ‘family business identities’ (FBI). I use the plural ‘identities’ not only because I studied two family businesses but because I argue for multiple identities (Pratt & Foreman, 2000). Further, family business identities are not a necessity but an opportunity of which family businesses can take advantage. Current research draws on this with regards to the image of being a family business (Memili, Eddleston, Zellweger, Kellermanns, & Barnett, 2010). An underlying assumption is that ownership can be perceived by owners as an expression of themselves (cf. 3.4) which is important with regards to family business identities and a consequence of the dualities. Thus, the meaning of
being a family business is extended and multiple family business identities offer further perspectives on the phenomenon.

Family owners are the central stakeholders in family businesses (Zellweger & Nason, 2008). They may or may not actively construct a family business identity, but even if they construct a family business identity purposefully there will be multiple organizational identities. Recent research has suggested that there are multiple identities which concern different time dimensions (Botero, Thomas, Graves, & Fediuk, 2013). Initially, I presented a sequential process model which goes from dualities to family business identities (see 8). I argue that dualities need to be considered as the basis or foundation for organizational identity and its construction because dualities characterize family businesses with the interdependent and interconnected units of family and business. In organizations which include these two ingredients, organizational members will consider them in constructing an organizational identity. There will still be different conceptualizations of those identities, depending on who has the strongest influence or power base (Schultz & Hernes, 2012). In the organizational identity literature it has been debated whether organizational identity runs the risk of being viewed as an almost exclusively managerial construction. In family businesses owning families have to be considered as the central nodes for organizational identity construction. Owning families will construct a different identity from employees or customers. Similarly, several owning families will emphasize different aspects. They can do so because they have the power base as a result of being directly concerned. All identities will entail multiple aspects due to the underlying dualities. I therefore suggest thinking of multiple organizational identities when speaking of family business identities.

Zellweger et al. (2010) argue that organizations can construct a family firm identity as a means to distinguish themselves from other non-family businesses. However, in a context that is dominated by family businesses the distinguishing factor is not necessarily so evident and may only be used in combination with other factors (Blomback, 2011). Others have argued that organizations can also have a family-specific organizational identity which would allow them to distinguish themselves from other family businesses (Brunninge & Melander, 2011). This idea appears reasonable especially in light of family business dualities. I argue that all family businesses are potentially exposed to tensions resulting from the family and business duality, and not all owning families and organizational members manage the tensions in the same way. The presence of several owners will have an impact. It will probably not be an option to construct a single family-specific organizational identity. Rather, a multi-family identity can be constructed. This could still be distinguishing from other family and non-family businesses.

Recently, Botero, Thomas, Graves and Fediuk (2013) introduced the concept of multiple family firm identities. They draw on the work of Balmer and Greyser who conceptualize multiple identities as consisting of “...actual
identity, communicated identity, conceived identity, ideal identity, and desired identity.” (Balmer & Greyser, 2002, p. 73). Their ideas come from a corporate identity perspective which is suitable for Botero et al.’s (2013) study as they are interested in whether and how organizations communicate their family firm identity on their website. Botero et al. (2013) share an assumption with Balmer and Greyser (2002) that the multiple identities need to be aligned because misalignment, in their view, leads to conflicting communication. This assumption is similar to the claim that elements of hybrid identities need to be aligned (Albert & Adams, 2002; Albert, et al., 1999). This reasoning is also based on an either/or thinking which leaves no room for dualities. In consequence this reasoning rules out constructive tensions (Evans, 1999) which can be beneficial for an organization. In addition, Botero et al. (2013) also follow the systems-approach.

With regard to my studied examples there is still a question over the possibility of more than one owning family. Is it possible to develop a two or three family specific identity as a family business identity? Or would a more generic-family business identity be constructed instead? An identity which is not family-specific? These questions are influenced by prior research (Brunninge & Melander, 2011; Zellweger, et al., 2010). There is an implicit either/or-logic which can be problematic. The questions can ultimately be traced back to Albert and Whetten’s (1985) definition. However, their definition has been questioned, in particular that there is just one enduring organizational identity (Hatch & Yanow, 2008; Pratt & Foreman, 2000). In light of my study I propose that the visibility and distinctiveness of family business identities depends on how the stakeholders deal with the family business dualities. Family business identities therefore differ from corporate identities (Balmer & Greyser, 2002; Moingeon & Soenen, 2002). As they are based on dualities, the focus is not on aligning different identities (Botero, et al., 2013). Rather, the underlying dualities have to be managed. If resulting tensions are not managed certain poles of dualities will take over and thereby weaken the organization as it will no longer be able to draw on both poles. This means that dualities are not in contradiction per se, but by balancing them they complement one another. As there are several dualities in family businesses it is necessary to speak of multiple family business identities. These identities are not in conflict when resulting tensions are balanced.

As well as being a distinguishing factor (Zellweger, et al., 2010) organizational family business identities also offer uniqueness in that they may be related to one or more specific families, e.g. the Johnson’s family business (Brunninge & Melander, 2011). This is also the case for dualities, that there are family-specific dualities (Melin, 2012). In principle, all the dualities found in a family business are influenced and characterized by the owners and the way they balance the tensions. Therefore, how far organizational identity can unite internally, depends on several factors. Amongst other things it should reflect the complexity, the dualities, which result from owning families. As I have
indicated this is connected with the presence of owning families but it also depends on how the dualities and the occurring tensions are managed as this will influence on how non-family organizational members perceive, for instance, procedural justice within the organization (Barnett & Kellermanns, 2006). Therefore it does not seem likely that this will be possible with a single identity rather than with multiple identities. Pratt and Foreman (2000) argue that organizational members may not be conscious of multiple identities and therefore these may not always be present. This claim needs to be modified for a family business which is owned by several families. Owning families can probably agree on a general family business identity, e.g. the presence of the family business meta-duality. However, potential conflicts may arise over a family specific identity. Whose family businesses are Stampen and MRP? In the case of Stampen, it may be easy to think of it being the Hjörne’s family business, however what about the minority shareholders? In MRP, there are four owning families, three of which are also founding families. Should it be the family with the biggest share or the family with the most active owners or managers? Probably neither criterion will lead to a satisfying answer. Therefore, it appears more reasonable to draw on dualities as a basis for organizational identity construction.

Zellweger et al. (2010) go on to argue that a family firm identity can lead to internal and external benefits. Their argument is that because “…self-, family- and organizational identity are overlapping. These intertwined identities create common rallying ground and nonmonetary incentive to perform individually and to assure the performance of the firm.” (Zellweger, et al., 2010, p. 59). They are following Sundaramurthy and Kreiner’s (2008) reasoning that there are overlapping identities, namely self, family, and organizational identity. Family members therefore do everything possible to support the family business. Similarly non-family managers are interested in contributing to the business when they “buy into” the organizational identity and share the goals and values of the owning families. Finally, due to their “unique” family identity the family can be an asset to external communication which cannot be imitated.

As discussed earlier there are some assumptions about the nature of family business which are questionable. Sundaramurthy and Kreiner (2008), and consequently also Zellweger et al. (2010), assume that family and business are two separate systems with opposing goals. Shepherd and Haynie (2009) share this assumption. This view has been criticized as being static and hindering theory development (Whiteside & Brown, 1991). Shepherd and Haynie (2009) have introduced a family business meta-identity, combining a family identity and a business identity with a meta-identity in an effort to relate to family business identity. As they do not consider organizational identity but rather focus on individual and social identity their conceptualization provides new ideas but lacks empirical support. In addition, Reay (2009) also suggested drawing on organizational identity but with a focus on the institutional context. In my understanding, this reasoning is based on a misconception of family
businesses, of family and business as separate systems with opposing goals (Carlock & Ward, 2001). Ultimately Zellweger et al. (Forthcoming) also argue that owning families have an identity as does the organization. Thus, they reason that owning families have an interest in a “fit” or congruence (Dyer & Whetten, 2006) between family identity and organizational identity. They further postulate three conditions which need to be fulfilled: “(1) visibility of the family in the firm, (2) the transgenerational sustainability intentions of the family, and (3) the capability of the business to give family self-enhancement.” (Zellweger, et al., Forthcoming, p. 6). But here also the underlying assumption needs to be questioned. Taking the conditions into account and assuming two separate identities when there is an overlap in membership does not seem reasonable. In light of my empirical study I argue that it is more reasonable to find dualities. Dualities do not need to fit. Evans and Doz (1992) have named “fit”, amongst other things, as a paradigm of management in the 1970s to early 1980s which is often related to Chandler’s work (1990). Instead the possible tensions need to be managed so that the two poles can complement one another (Evans & Doz, 1992).

In my understanding, dualities are the basis for organizational identity construction in family businesses. The argument which I want to bring forward based on my study is that these dualities present a distinctiveness based on which a particular organizational identity can be constructed or more precisely organizational identities. What is new in the recent development is the understanding that dualities shape the behavior of family businesses. The missing link which I propose is that dualities are actually an essential part of constructing the organizational identities of family businesses. Due to the nature of dualities as interdependent, which potentially causes tensions, there is a need to manage the dualities. The interdependency is also one aspect that Farjoun (2010) has emphasized which, in opposition to dualism, allows family and business to be viewed as separate units (not systems) but interdependent. This corresponds to the nature of organizational identity as being socially constructed.

8.3.1 Different levels of identity

I agree with Brunninge and Melander (2011) that it is more likely that a family business will develop family-specific organizational identities. This is certainly in the interest of the owning families and offers further distinctiveness. Family-specific organizational identities can be seen as an expression of the owning families. Relating to my empirical findings I argue that the family business dualities which are intertwined and interconnected can indeed lead family members as well as external members to support an organizational identity construction. This also means that the idea of overlapping self, family, and organizational identities may not hold because they are not fixed but dynamic. Family members are, for instance, interested in upholding a positive perception
8 A dualities perspective on organizational identity construction

of both the business and themselves, as the professionalism duality shows. Milton (2008) refers to identity confirmation, that individuals like to get positive reinforcement from their personal identities. Accordingly, family members in the family business will be eager to find consistency between individual and organizational identities in the family business. Milton continues that this can ultimately lead to a competitive advantage based on familiness (Habbershon & Williams, 1999). Whereas formal competence could be targeted towards external audiences, cultural competence is important to gain legitimacy from internal audiences. Professionalism can thereby become a building block of the family business identity. It needs to be worked with in an ongoing manner.

Coming back to the question of several families owning a business, these also have family business identities. However, these will not necessarily be family-specific but possibly families-specific, family business identities. The degree to which they are family or families’ specific depends on the context, including how dualities are handled. In family dominated industries family/families-specific identities could be more suitable whereas in other industries with fewer family businesses general family business identities could be suitable. The dualities allow several variations as well as uniqueness, since they are context-specific. Following or relating to industry standards can be one way of gaining legitimacy (Clegg, et al., 2007). If the family owners identify with a particular industrial context it increases the importance and visibility of industry-related dualities as my cases have shown. This may be a consequence of social identity and identification (Ashforth & Mael, 1989). In other words, individuals identify with peers to whom they want to belong. This identification is not limited to an organizational context. Hall speaks of a “paradox of identity” in the family where the business can be both a means for individualization and an extension of the family values (Hall, 2003). The handling of an industry related duality can be inherited within an owning family as, for instance, socio-symbolic ownership shows (Nordqvist, 2005). This is also the case for collective ownership which includes more than one owning family (Koiranen, 2007). Owning families also shape and characterize dualities which are not exclusively the result of their presence, as my empirical study shows. If an industry-related duality that is not supported by an owning family is present in an organization, it may lead to dis-identification (Bhattacharya & Elsbach, 2002) with either the industry or the owners. From the owner’s side, as for instance, Sharma and Manikutty (2005) argue, owning families may be reluctant to divest if they feel emotional attachment to a business unit or an industry. But this should also imply that they are more likely to divest if they do not feel this emotional attachment. They further suggest that family structure and community culture contribute to these decisions. Similarly, Zellweger and Astrachan (2008) suggest that owning families place an emotional value on their ownership. This also ties in to the debate about socioemotional wealth, that owners value aspects other than the economic value of a firm (Gomez-Mejia, et
al., 2011). However, it is likely that socioemotional wealth decreases over generations, i.e. that later generations value different things than do the founding generation (Stockmans, Lybaert, & Voordeckers, 2010). What is important in industry dualities is that they concern the organization as a whole. Family business dualities are relevant to the relationship between family and business which of course also has implications for the organization. Recent developments in socioemotional wealth research indicates that the family business dualities may also change over time and influence the relationship between socioemotional and economic wealth on a meta-level (Berrone, Cruz, Gomez-Mejia, & Larraza-Kintana, 2010; Gomez-Mejia, et al., 2011; Gómez-Mejía, et al., 2007). Achtenhagen and Melin also speak of meta-dualities (2003) and Melin names them as a basic challenge to combining the social institution of family with the economic institution of business (Melin, 2012, p. 12). In addition, the relationship between social family institution and economic business institution is located on another level, i.e. a meta-level. But the implications of the relationship have consequences on the individual level. Individual behavior is likely to be influenced by how these two institutions relate to another.

8.3.2 Family business identities as means of control

In family businesses, family members can become a part of beliefs and values (Alvesson & Empson, 2008). Why is that so? Gioia et al. argue that labels can be kept but associated meanings change. In a family business, family members function as such for the organization. The family name represents such a label. In the organizational identity literature the issue of symbolism has been touched upon (Pratt & Rafaeli, 1997). There are different types of symbols and an owning family can be such a symbol. Following Hatch (1993) an organizational identity is based on culture and value. Symbols in that regard must be self-defining (Pratt & Rafaeli, 1997) for organizational members to be part of an organizational identity. In the context of family businesses, owning families can be ascribed such self-defining symbolism. In other words, it is typically clear not just to organizational members but also other stakeholders who the owning family members are and what they represent. An example from my study is the debate about and around the founders and foundation of MRP. Even though there are different stories about these persons and events they are still considered relevant and important today, for instance in terms of editorial content or guidelines. Portraits of founders and historic references are clues which emphasize linkages to owning families and thereby legitimate and support their exceptional standing in organizational identity construction. Current research argues that purposefully forgetting can be a means of constructing organizational identities (Anteby & Molnár, 2012). However, in this study I argue rather for transfiguration. This is, purposeful or not, a useful technique for justifying events with reference to the past. Human beings tend
to justify or even glorify past behavior when it suits a current purpose. Events or decisions in relation to foundation are a common goal for transfiguration or glorification. Discrepancies between actual events or decisions and current interpretations are likely to increase over time.

We know from research in the family business field that there is often an overlap of family and business values (Astrachan, et al., 2002) which signify dualities in family businesses. Hall, Melin and Nordqvist (2001) underlined the importance of family members in having a symbolic importance for the business. This is true for MRP and Stampen. Even though, in the case of Stampen we have one main family, and in the case of MRP we have four families, they are all active and visible within the organization which gives them the symbolic role. This also highlights that in a family business it is not only the management team which needs to be open for change but there is also a need that other people are involved and can question certain organizational aspects.

Milton (2008) argues that family members look for identity confirmation within the business which can however imply that they ignore aspects which do not confirm their identity. On the other hand, research has shown that identity confirmation improves the performance and cooperative behavior of individuals (Milton & Westphal, 2005). Ainsworth and Cox (2003), who take a critical and interpretive stance towards family businesses, found that the meaning and division of family can be used as a metaphor for control and discipline. Thus, the claim of being a family business and the symbolic role of family members is important in constructing organizational identities. By saying that they are a family business they legitimate their role in leading and having a central role in the organizational identity discourse. Likewise Alvesson and Willmott (2002) argue that managers can regulate the identity discourse. Alvesson and Willmott refer to managers and individual identities. They do not account for the peculiarities of family businesses where not necessarily the management has the final word (Basco & Pérez Rodríguez, 2011) but owning families. The construction of family business identities can be advantageous for the family business as well as owning families. Furthermore, due to their central power position, owning families can control identity formation processes (Ainsworth & Cox, 2003; Alvesson & Empson, 2008; Alvesson & Willmott, 2002). However, if owning families do not take an active role in the business because of rivalry, feud or dispute (Gordon & Nicholson, 2008), there will be problems. Outsiders will notice these problems and this may lead to bad publicity and reputation. This can become a dilemma which needs to be addressed (Gordon & Nicholson, 2008; Schuman, et al., 2010).

The role of the founders and owners is important for an organization’s identity construction. This is in line with others who argue that it is relevant in times of threat (e.g. Ravasi & Schultz, 2006). From a dualities perspective, it is even more apparent that tensions need to be balanced. But it is not exclusively the job of managers to do that. Rather, owning family members have to deal with it. It does not matter whether they have a formal position, or an
ownership position in that case. As owning family members they have a symbolic role in the organization which they can use for its good. This symbolic role cannot be taken over by an outsider, e.g. a non-owning family member.

8.3.3 The temporal aspect of dualities

As I discussed before, the dualities which signify family businesses (Nordqvist, et al., 2008) are not necessarily present from the beginning, but family and business are a basic duality which can trigger further dualities (Melin, 2012). They may result from external as well as internal dynamics. This also implies that family business identities are not present from the beginning. There is no given order in which dualities appear in family businesses. But we know that the dualities are interrelated which implies that they will sooner or later appear together. The acuteness of certain poles of a duality can be triggered by external events (Evans & Doz, 1992). Still the family-business duality is a basic and essential duality which can be thought of as an initial duality (Melin, 2012). This question is related to the definition of family business (Chua, et al., 1999). A common way of addressing this question assumes that entrepreneurial ventures eventually become family businesses if they involve family members and succeed in passing on the business (Dyer & Handler, 1994). Others argue that families are the source of oxygen for entrepreneurial ventures (Rogoff & Heck, 2003). This ties into the evolving stream of research on transgenerational entrepreneurship (Nordqvist, et al., 2008; Nordqvist & Zellweger, 2010). However, as soon as an entrepreneurial venture includes family members, which the majority does, (Hellerstedt, 2009) the appearance of family related dualities is likely.

Depending on the owning families and how they work with dualities, family business identities might be more or less visible. Figure 36 depicts the dualities and how they contribute to family business identities. The family-business dualities can be accompanied by other dualities which are, for instance, related to industry. Reasons for variations in the presence of family business identities can be manifold. It could start when an owning family does not see their business as a family business (Westhead & Cowling, 1998). This would indicate that they are not interested in managing the family-business dualities. Yet, it is unlikely that tensions which arise as a result of dualities simply disappear because they are ignored. Instead, this gives room to feuds and rivalry (Gordon & Nicholson, 2008). An organizational identity is not static and fixed, it develops over time. The meanings associated with an organizational identity change over time with regards to dualities (Chreim, 2005). Therefore it depends on owning families and organizational members how they manage the dualities. Recent research highlights the importance of identity endurance (Anteby & Molnár, 2012). The question of endurance is at the core of research into family business longevity. Recent research has, for instance, found that there is a link
between values and family business longevity (Tàpies & Moya, 2012). Similarly, Zellweger et al. (2012) argue that by shifting from the firm level to the family level they find that there is entrepreneurial activity which supports the family’s longevity. I argue in a similar line, that owning families have to take on the challenge of balancing family-business dualities in order to continue. Failing to manage the tensions which result from dualities can harm an organization’s existence (Evans & Doz, 1989; Evans & Doz, 1992). In my view there is little reason to believe that it should be different for family businesses which are signified by dualities (Melin, 2012). They need, in particular, to manage the family-business dualities in order to cope with the tensions which result from the dualities.

8.4 Summary

The construction of family business identities based on dualities is a new perspective on constructing organizational identity which emphasizes the ongoing and continuous nature of the process. Family businesses are characterized by dualities. Since dualities cause tensions resulting from the two poles, it is necessary to balance tensions in order to benefit from the dualities. Dualities allow organizations to respond to dual demands. The underlying logic is to support both poles of a duality instead of following either/or logic. In order to achieve this, dualities, or more precisely the underlying tensions, need to be balanced. This requires a shift in perspective. Owning family members play a central role in organizational identity construction as they have to balance the tensions resulting from the family business dualities. One way this can be done is to make use of identity claims which can guide organizational members. But this also requires that the claims correspond to the underlying dualities. This could mean that identity claims themselves carry dual meanings. They should not be mutually exclusive. There are different levels of identity, e.g. owning family members perceive family business identities differently from non-family organizational members or other stakeholders. Due to the central role of owning families, they can use family business identities as means of control, and non-family and other stakeholders may feel or be excluded from it. This may not be intentional but has potential risks and tensions for the organization. Ultimately, family business identities have temporal aspects which are related to family ownership.

Nordqvist et al. (2008) reason that their dualities are not limited to their studied organizations. My empirical studies support the idea that these dualities are adaptable to specific contexts. I found a false oxymoron in the informality-formality of “being professional but not publicly listed family business”. Some might argue that this false oxymoron is due to the size of the studied organizations or due to their relative experience with the stock-market. It is a false oxymoron because the two poles are not in contradiction. This does not
exclude that there can be tensions. But tensions can be handled. Nevertheless I believe that many family businesses view the publicly listed firm as the ideal of a professional business. However, publicly-listed businesses can also be family businesses (Boers & Nordqvist, 2012).

Furthermore, dualities are time sensitive. They may not be visible at all times but they nevertheless characterize the organization as a family business. However, changes in owning families make dualities acute, e.g. new generations may question historic paths and suggest new paths. This advances the reasoning regarding dualities as being responsive to environmental change (Evans & Doz, 1992) because owning families play a decisive role in how and to what extent dualities are balanced. As dualities are directly related to owning families they have the key to balance them. Consequently, owning families construct family business identities based on the dualities. These family business identities can be a means of control. As the organizational identities are linked to the family business dualities owning family members become symbols of them and can thereby control organizational identity construction.

**Figure 17** From dualities to family business identities

Figure 17 (above) illustrates the construction of family business identities in the family business. It can be thought of as a circular process which is
interdependent and interconnected as the arrows show. The basis is the family business dualities (Nordqvist, et al., 2008) which can be complemented for instance by an industry-duality. This has been the case in my empirical study.

However, organizations in new industries might not yet have established peers. Then they might look for peers in related industries (Clegg, et al., 2007). Dualities are not necessarily present at the same time but develop over time which is partly a result of their dynamic nature (Evans & Doz, 1992). The arrows between the dualities and the activities (managing dualities, constructing family business dualities) illustrate interdependencies as well as possible tensions.

We know from research in the family business field that there is often an overlap of family and business values (Astrachan, et al., 2002) which signify dualities in family businesses. Also Hall, Melin and Nordqvist (2001) underlined the importance of family members as they have a symbolic importance for the business. This is true for MRP and Stampen. Even though, in the case of Stampen we have mainly one family and in the case of MRP we have four families they are active and visible within the organization which gives them the symbolic role. This also underlines that in a family business it is not (only) the management team which needs to be open for change but there is also a need that further people are involved and can question certain organizational aspects. Here, Milton (2008) argues that family members look for identity confirmation within the business which can however imply that they ignore aspects which do not confirm their identity. On the other hand, research has shown that identity confirmation improves performance and cooperative behavior if individuals (Milton & Westphal, 2005). Also Ainsworth and Cox (2003) who take a critical and interpretive stance towards family businesses found that the meaning and division of family can be used as a metaphor for control and discipline. Hence, the claim of being a family business and the symbolic role of family members is important in constructing organizational identities. By saying that they are a family business they legitimate their role in leading and having a central role in the organizational identity discourse. Likewise Alvesson and Willmott (2002) argue that managers can regulate the identity discourse. Alvesson and Willmott refer to managers and individual identities. They do not account for the peculiarities of family businesses where not necessarily the management has the final word (Basco & Pérez Rodríguez, 2011) but owning families. Together, the construction of family business identities can be advantageous for the family business as well as owning families. Furthermore, due to their central power position owning families can control identity formation processes (Ainsworth & Cox, 2003; Alvesson & Empson, 2008; Alvesson & Willmott, 2002). However, if owning families do not take an active role in the business because of rivalry, feud or dispute (Gordon & Nicholson, 2008), there will be problems. Outsiders will notice these problems and this may lead to bad publicity and reputation. Hence, this can become a dilemma which needs to be addressed (Gordon & Nicholson, 2008; Schuman, et al., 2010).
The role of the founders and owners are important for an organization’s identity construction. This is in line with others who argue that it is relevant in times of threats (e.g. Ravasi & Schultz, 2006). From a dualities perspective, it is even more apparent that tensions need to be balanced. But it is not exclusively the task of managers to do that. Rather, owning family members have to deal with it. Thereby it does not matter whether they have a formal position, or an ownership position. As owning family members they have a symbolic role for the organization which they can use for its good. This symbolic role cannot be overtaken by an outsider, e.g. a non owning family member.
9. Conclusion

In this chapter, I summarize my findings, answer the research questions and fulfill the purpose of my study. I relate my findings to research in family business and organizational identity. Then I suggest areas for further studies and discuss practical implications of my findings.

9.1 Summary of findings

The purpose of this study was to understand organizational identity construction in family businesses, by taking a dualities perspective.

I based my understanding on two family businesses in the media industry. Even though organizational identity and its construction are very topical (Gioia, et al., 2013), there is little research into family businesses. Further, the scarce empirical research in top-tier management-journals does not build on family businesses as an important context at all (Ravasi & Canato, 2013) in spite of its empirical dominance (Astrachan & Pieper, 2010). Addressing the topic of organizational identity construction in family businesses I developed a dualities perspective according to which family and business are two separate but interconnected and interdependent elements forming a meta duality which results in further family business dualities. The dualities perspective broadens studies on organizational identity construction as it accounts for the peculiarities of family businesses. I argue that these dualities are basis for constructing organizational identities that require stakeholders to work with managing the inherent tensions in the dualities. This means that owning family members and organizational members are continuously involved in constructing organizational identities when managing the dualities. Due to the central role of family owners they can influence how these dualities play out in the organizational context.
Figure 18 shows that the family business meta-duality lays the ground for the family-business dualities and possibly other industry-specific dualities. Based on these dualities, organizational identity construction takes place by managing dualities and balancing tensions. Family members, other organizational members and stakeholders construct organizational identities. They relate to the context, e.g. family ownership and construct additional and complementing identities because they balance tensions differently. Owning family members, by managing the family business dualities, may construct family business identities. The multiplicity of identities is a result of the multiplicity of dualities as well as the different audiences. There could be a family specific, a family generic or multiple-families identities which can be a distinguishing factor. Family business identities can be distinguishing as well as internally uniting. However, these identities carry a power dimension which has the potential to exclude non-family members from participating in the organizational identity construction. Furthermore, it shows that organizational identity is not static but is constructed on the basis of dualities. The processes of organizational identity construction are not one-directional. Rather the family business, the dualities, the organizational identity construction and the family business identities are interdependent and interconnected.
Conclusion

1. How is organizational identity constructed in family businesses?

I argue that there is not just one organizational identity in the Albert and Whetten (1985) sense that is constructed. Rather, multiple organizational identities are ongoing constructions. Stakeholders and particularly owning family members construct organizational identities by managing dualities and balancing inherent tensions. Emphasizing informality-formality, interdependence-dependence, new paths-historic paths and industry dualities, e.g. journalistic-commercial organizational stakeholders, are able to uphold the characteristics of being a family business.

For owning families the claim of being a family business is a statement of identity on which they build organizational identities as family business. However, being a family business is not necessarily unique. Owning family members are often considered as role model in the organizational public and to outsiders. This gives them a power position with regards to organizational identity construction but also responsibility. Certain events like a change in ownership or leadership can require additional efforts in managing the dualities.

The value and strength of this statement depends on contextual aspects. These contextual aspects refer for instance to the owning families in terms of number, size, generation, involvement and visibility in the organization.

The claim of being a family business could be used to exclude others in that only members of owning families have a say in the organization and take part in or are allowed taking part in organizational identity construction. Such efforts to exclude certain stakeholders bear the risk that organizational identities may not be accepted or shared by other stakeholders than the owning family members. The potential for power struggles is more likely when there are several branches of an owning family or several owning families. In other words, the more owning families there are the more complex it is to balance tensions resulting from dualities. Other stakeholders will relate to this claim and may support it or add another dimension to the claim of being a family business. How stakeholders react depends amongst others on the visibility of owning family members and their involvement in the organization. Active involvement and visibility will support the claim of being a family business and thereby increase acceptance among stakeholders. Active involvement could mean taking part in organizational events, like inaugurations of new offices or machines. Depending on organizational size and availability owning family members could write in in-house publications such as reports, newsletters or the like. Also governing bodies with representatives of other stakeholders are forums where the organizational identity as a family business is constructed. If and how family ownership is addressed in these forums indicates how the family business dualities are managed.

Common tools for constructing organizational identities are references to organizational history and founders. Organizational history and owning families’ history does not need to be the same as it is possible that owning
families become owners after an organization was founded. There are references to founders even though they were not the original founders of the organization. Current owners and managers could use the references differently. They could emphasize that it was a turnaround when the family entered the organization. But they could also emphasize continuity between the prior owners and the organizational history. Historic references help anchoring organizational identities and owners within and for the organization and other stakeholders.

2. What role do dualities play in the construction of organizational identity in family businesses?

A dualities perspective is suitable to understand organizational identity construction in family businesses because it captures the peculiarities of family businesses. Dualities require an understanding of both/and not either/or. This shift in perspective can appear counter-intuitive to classic family business literature where family and business are seen as separate systems with opposing goals. The figure 32 above illustrates the general role of dualities in the organizational identity construction in family businesses. I argue that family and business form a duality which is interrelated and interconnected. Family and business can be understood as a meta-duality which influences the existence of further dualities. These dualities and the interconnectedness and interrelatedness between family and business are so essential that they characterize the organization and differentiate it from all other organization that are not exposed to those dualities. In other words, these dualities signify the organization as family business. The family business-specific dualities can create distinctiveness whereas industry-related dualities indicate self-selected peers.

Family business dualities are a result of the overlap of the family and the business. Family and organizational members have to balance the tensions which result from the dualities, e.g. they follow the historical paths of the organization because it matters to the founding families as well as they develop new paths in order to compete in the market. Likewise, they have to earn money and at the same time follow, e.g. their journalistic mission. This also implies that by cooperating in some areas, where they give up their independence, they stay independent in other areas as a family business because the owning family keeps the control. With growth and development over time comes also a need to formalize which does not mean to lose a certain informal approach and benefit from the advantages of being a family business. A good example is the emphasis of professionalization. Family businesses are accused of not being professional. However, in a family business context a certain informal knowledge of the organization is also important. This informal knowledge is easier to get for owning family members as they get socialized which cannot simply be exchanged through formal education. Owning family
Conclusion

Members play a key role in managing the dualities because as family members they are often the visible face of the family business. Owning family members can be considered symbols of family businesses. They typically have the insight needed for managing family business dualities. If they have additionally formal competence and occupy managing positions in the organization they can also contribute to the industry-related dualities.

9.2 Relating findings to research in family business and organizational identity

In this section I relate my findings to organizational identity and family business research.

9.2.1 Findings concerning family business research

Salvato and Aldrich (2012) describe the survival of family businesses against multiple predictions for its demise as paradoxical. A paradox is also a form of duality (Achtenhagen & Melin, 2003). Salvato and Aldrich (2012) argue amongst others that interesting family business research should question assumptions. Such an assumption which is still very present concerns the nature of family and business as two separate spheres or dimensions which have opposing goals (Carlock & Ward, 2001; Hoy, 2012). This idea has helped the field to develop but it is also limiting as it overemphasizes differences between the two without acknowledging similarities. Therefore, my starting point is to viewing family business as a duality, e.g. family and business as complementing another. This duality signifies family businesses and differentiates them from other organizations that are not exposed to this interrelatedness and interconnectedness of family and business. Family and business are not in in contradiction with opposing goals. This view explains behavior of family businesses. The evolving literature and discussion on socioemotional wealth gives example of the dual nature of family businesses. Owning families are not only interested in the financial return and wealth of their business but they are equally interested in the emotional return they get from their business (Gomez-Mejia, et al., 2011). In that regard, family and business can be understood as a meta-duality which influences further dualities which depict the family business organizational reality and requires organizational members and owners likewise to working with balancing tensions. For owning family members this means that they care for the family and the business. It is possible to combine and support demands resulting from family and business. Ownership can unite owning families and it allows them to succeed over generations. This need to work with the organizational identity in an ongoing and continuous manner has also been supported by other research.
dualities offer flexibility in that they offer the possibility to emphasize both poles depending on which is most suitable for different market environments.

Studies on organizational identity and its construction in family businesses are scarce, in strong contrast to the overall importance of family business (Astrachan & Pieper, 2010). There are a couple of recent studies (Tompkins, 2010) however, mainly of conceptual nature (Reay, 2009; Shepherd & Haynie, 2009; Sundaramurthy & Kreiner, 2008; Zellweger, et al., Forthcoming; Zellweger, et al., 2010). Even though conceptual work is important, it is equally important to acknowledge empirically grounded work. The concept of dualities has been accepted in the mainstream management literature (Farjoun, 2010; Janssens & Steyaert, 1999) but has not yet found a lot of resonance in the FB-literature (Nordqvist, et al., 2008). The focus on dualities can also help understanding certain behavior of family businesses which has been mentioned in the literature, e.g. sticking to historic paths. By drawing on dualities we can understand family businesses and overcome the problem of viewing family and business as separate spheres. Furthermore, we can see that these dualities are not fixed but they develop and change over time. As in figure 18 above we can find dualities which are related to the basic family business duality. As dualities are also firm- and context-specific it is likely to find further and different dualities in other family businesses.

I conceptualize the organizational identity of family business as based on dualities (Achtenhagen & Melin, 2003; Nordqvist, et al., 2008). In my study I draw on dualities, an established concept in the literature and on family businesses being an empirically very relevant topic. By introducing the concept of dualities as a lens to understand the phenomenon of organizational identity construction in family businesses it is possible to capture its complexity. Family business dualities and industry-related dualities together are a complex setting. They are the organizational-context for organizational identity construction. Since the idea of dualities was already present in Albert and Whetten (1985) it is surprising that the concept did not find more attention in the extant identity literature. An explanation could be the limitation on two elements by Albert and Whetten (Corley, et al., 2006) which nevertheless lead to scattered depictions of organizational identity (Hatch & Yanow, 2008). By artificially reducing the focus to two elements, the complexity of organizational identity remains calculable.

In the empirical study I showed that the relationships are dynamic and the dualities are interrelated. With regards to informality-formality I found formal and cultural competence as an expression of professionalism (Hall & Nordqvist, 2008). Professionalism is a classic theme in the family business literature and there are many accusations to family businesses as not being professional (Carrigan & Buckley, 2008; Chandler, 1990). Interestingly, in the studied organizations was a strong emphasis on being and acting professional which could be a reaction to the accusations and misperceptions. Moreover, in
both organizations owners and managers related themselves to publicly listed stock-market companies as professional organizations. This professional behavior, arising from the dual competences (formal and cultural) lets owners and managers work with the dualities which are the result of being a family business. They like to emphasize the freedom of being a non-listed organization which follows certain standards of publicly listed companies. My study support the suggestion that there are different modes of professionalization which family business can choose based on their intent and competencies (Stewart & Hitt, 2012). Consequently I label this a false oxymoron of being professional but not publicly listed family business. There is no contradiction between being a professional business and a family business. In my understanding being professional is a question of competences and there are different competences, namely formal and cultural) which are both important to manage professionally. This concern for being professional is likely to be present in many family businesses. It represents probably a different stage of development in a family business as advocated in the corporate governance literature (Brenes, Madrigal, & Requena, 2011; Hall & Nordqvist, 2008). Therefore I suggest considering this false oxymoron when studying family businesses not only with regards to organizational identity construction. It is important to show that being professional and being a family business is not in contradiction. The false oxymoron rather reveals potential tensions but they do not need to be in contradiction. Family businesses can be unprofessional too. But it is my conviction that this is not due to the fact that a business is a family business.

Likewise the different forms of ownership dualities need to be considered. Being an owner includes multiple roles in a family business. Ownership may give access to a certain position, e.g. publisher of newspaper. Being an owner also gives legitimacy. Family business owners wrestle with what it means to be an owner. There is a stream of literature which argues that a business is an expression of its owners or that owners can express themselves through their business (Goel, et al., Forthcoming; Pierce, et al., 2001). This wrestling with ownership is something that deserves ongoing attention. Different owners have different ideas even though they stem from the same family. This is probably even truer for different generations or different owning families. Owners have to struggle with how to relate to historic paths. In family businesses, many owners have also managing positions. Then it can become difficult to preserve and maintain the heritage (historic paths) and at the same time search for and invest in new paths. Achieving this requires often cautious balancing between what has been and what is to be the future of an organization. It is a complex task which many family businesses are handling to their satisfaction.

A further useful duality for studying family businesses is the duality of independence-dependence which often signifies family business behavior. They are striving for independence but have to acknowledge dependencies at the same time. This duality can also be labeled competition-partnership. Family businesses have an open approach to cooperation. They can make use of their family
networks (Habbershon, et al., 2003; Habbershon & Williams, 1999). This can
give family businesses an advantage. Also the historic paths-new paths duality is
useful for understanding family business behavior as it addresses the relative
importance of history and heritage in these businesses. This has been
misinterpreted as being resistant to change but the orientation towards history
goes along with being open to new paths. The family business literature is only
beginning to acknowledge this (Colli, 2011, 2012; Memili, et al., 2010) and also
the mainstream management literature is struggling with this acknowledgement
(Brunninge, 2009; Delahaye, et al., 2009).

It is reasonable to assume that there are several dualities in family businesses
(Melin, 2012). Not all dualities are relevant for any research questions but the
basic existence of dualities requires a shift of focus towards managing dualities.
Thus, I recommend taking dualities into consideration when studying family
businesses, including both family business dualities and industry-related dualities.

Research has described the dual character of family businesses (Gersick, et
al., 1997; Litz, 2008; Nordqvist & Melini, 2002; Tagiuri & Davis, 1996), but the
implications for and of family business identities has not been elaborated. A
prerequisite for family business identities is accepting the family business meta-
duality. This is needed for several reasons. First, it gives members of owning
families legitimacy and primacy in the organizational identity construction.
Members of owning families are considered as faces of the organization by
other organizational members. For that they do not even need to have a formal
role in the organization. In addition to the work of Zellweger et al. (2010) as
well as Brunninge and Melander (2011) I was able to develop an understanding
of organizational identity construction in family businesses which builds on
dualities. Drawing on dualities, family business identities are not only a means
to separate from non-family businesses or other family business but it consists
by default of dualities which allow being distinctive with regards to the dualities.
Depending on the context, family business identities (FBI) may not only be
family specific. In order to distinguish from other family businesses in family
business dominated industry a family specific FBI could be the only option to
express uniqueness. The family business dualities in combination with industry-
specific dualities offer plenty opportunities to construct such organizational
identities. Therefore, I suggest that dualities and their impact on organizational
identity construction are a possible answer to the question raised by Holt et al.
(2010) who asked how family businesses are different from non-family
businesses. The focus on dualities can also help understanding certain behavior
of family businesses which has been mentioned in the literature and appears to
be inconsistent. A good example has been discussed by Nordqvist et al. (2008)
who showed that family businesses can support their entrepreneurial
orientation with dualities and drawing on seemingly contradictory behavior.
Accordingly, my study contributes to understand the role of dualities for
organizational identity construction and likewise extend current research using
dualities as a perspective for understanding family businesses (Brundin, et al.,
9 Conclusion

2012; Brundin, Nordqvist, & Melin, 2010; Nordqvist, et al., 2008; Schuman, et al., 2010).

9.2.2 Findings concerning organizational identity research

Organizational identity construction in family businesses differs from how organizational identity construction is presented in the literature (e.g. Dhalla, 2007). Owning family members are key actors and their presence and involvement has been overlooked in organizational construction processes. I argue for the importance of studying how organizational identities are constructed in family businesses. My approach of studying organizational identity construction is leaning towards a social constructionist perspective according to which organizational members discuss and negotiate in a dynamic manner what the organization’s identity is about. By taking a dualities perspective I offer a new perspective which accounts for the peculiarities of family businesses. I propose that dualities actually are an essential part in constructing the organizational identities of family businesses. In this sense, studies on organizational identity construction are rare. This study also contributes to recent development of empirical studies on organizational identity which acknowledge the phenomenon as a subject on its own (Ravasi & Canato, 2013). This research also extends the reasoning on organizational identity construction in that it brings owners as central actors to the stage. Extant research has not paid specific attention to owners which has led to concerns whether organizational identity and its construction may just be something that the top management is concerned with (Gioia, 1998; Scott & Lane, 2000). Some research has noted the importance of founders and owners in organizational identity construction (Alvesson & Empson, 2008) but this idea has not been discussed further. Ownership is a key dimension in family business research. I follow a dualities perspective which accounts for family ownership and the peculiarities of family business.

In a recent writing Kreiner (2011) asked for more studies not only on organizational identity but studies that draw on organizational identity in relation to other streams of research. I argue that family business research and studies of family businesses correspond to Kreiner’s call. Also the dualities perspective offers a new angle on organizational identity and its construction. The literature on dualities argues that dualities have to be managed in order to balance tensions between the dualities. In my empirical study I found that this balancing of tensions is in the interest of the owning families. Therefore the presence of owning family members in the organizational public appears to be central to successfully balance tensions between the dualities. Owning family members are often considered as role-models by other organizational members giving them an outstanding role in the organizational identity construction.

Another finding of relevance for organizational identity research concerns identity claims. It has been argued that claims stay unchanged on the surface but
associated meanings change (Gioia, et al., 2000; Ravasi & Schultz, 2006). Based on my empirical study I found that in the case of RP a claim was changed in order to maintain the original meaning as it was pronounced by the founders. In addition, even though the claim was supposedly clarified in order to maintain the initial interpretation, there are still re-interpretations of the claim emphasizing different nuances than the initial claim. Unlike identity claims from a social actors-perspective, identity claims are not an exclusive means of organizational identity construction. Identity claims support dualities in that they give reference to dual poles and anchor dualities in organizational history. They are not categorical but they can change. Change in identity claims can aim at creating continuity. Having said this, organizational identity construction is by no means an exclusive task of owning family members. Organizational members are also influenced by other legitimate stakeholders who propagate industry standards, e.g. journalistic ethos.

My study indicates that there is a power-dimension inherent to organizational identity and its construction. Earlier research has presented this in relation to identity construction on the individual level (Alvesson & Willmott, 2002; Sveningsson & Alvesson, 2003). The claim of being a family business bears the potential of excluding nonfamily members and thereby endangering procedural justice perceptions (Barnett & Kellermanns, 2006). Ultimately, this can be seen in light of where is the boundary of an organization. From a family business perspective it is relevant to include an owning family when talking about organizational identity construction. Proponents of the social constructionist perspective are also considering other stakeholders (Hatch, 2005). However, that there are certain stakeholders like owning families who have such a strong power-position that they can decide on the organization’s destiny which is tied to them is not evident in mainstream organizational identity research. When there are stakeholders who have such an extraordinary power-position it can be asked how much an organizational identity is constructed jointly by organizational members. If so, organizational members may construct jointly but there is still one particular party who has the power to sabotage or deny a constructed identity if it is not line with their reasoning. Family businesses may be prone to power struggles (Ainsworth & Cox, 2003; Gordon & Nicholson, 2008) and there can be also emotions involved. Emotions have been discussed widely but mostly with regards to the construction of individual identities (Dutton, Roberts, & Bednar, 2010). Current research is beginning to take notice of power dimensions in the organizational identity construction process (Schultz & Hermes, 2012).

9.3 Further studies

One assumption of mine (and the literature on family business (Melin & Nordqvist, 2007; Sharma, 2011; Westhead & Cowling, 1998)) has been on the
heterogeneity of family businesses. Following Astrachan’s (Astrachan, 2010; Collins & O'Regan, 2011a) reasoning on the general importance of family businesses and the relative insignificance of nonfamily firms I suggest to study family businesses of different size, industry, generations, ownership, and countries of origin in order to better understand organizational identity construction from a dualities perspective. There might be variations due to owning families’ involvement in the business. There is ample research suggesting multiple typologies of family businesses (e.g. Garcia-Castro & Casasola, 2011; Sharma & Nordqvist, 2008) and we do not know how different owner families manage family business dualities and thereby construct organizational identities in different types of family businesses. For these family businesses the presence of family business dualities might be different which may influence organizational identity construction. In this study, the organizations were rather big and with several owning families. Therefore studies of family businesses with a single owning family could help to understand further the role of dualities on organizational identity construction. As the dualities are not static but change over time family businesses owned in different generations could inform on its development over time.

With regards to organizational identity construction I suggest to study other types of organizations. But there are other organizational settings which have peculiarities which influence organizational identity construction. I argue that that the peculiarities of family business are due to the family involvement in the business. Yet there are many other forms of ownership which may influence organizational identity construction. Such organizations could be state-owned, foundation-owned as well as publicly listed organizations with dispersed ownership. How does the absence of a clear and powerful owner influence organizational identity construction? Another interesting group are sport clubs which are often owned by members but at elite there is more and more different forms of ownership (Holt, 2007). For instance, Kennedy showed how struggles over ownership lead to the founding of Everton and Liverpool football clubs (Kennedy, 2011). Another example shows that ownership influences internationalization and product diversification (Hautz, Mayer, & Stadler, 2013). How do different forms of ownership influence organizational identity construction?

Organizations other than family businesses which expose dualities like media organizations or church universities are another interesting context to study organizational identity construction. Also the challenging of classic business models in the media industry could have an impact on the classic media duality of commercial-journalistic. What happens when consumers and advertiser are not any longer willing to pay for journalistic content? Will this duality remain or will it be replaced by a pure commercial orientation? Will it be replaced by another duality?

Universities are a well-established organizational type in the literature. They are exposed to tensions because they have to educate students and conduct
legitimate research. In Sweden, universities are also obliged to interact and deliver to the public. Thus, universities have to balance between different tasks. Further, classic dual identity organizations like law firms (Albert & Adams, 2002) or church universities (Albert & Whetten, 1985) could be interesting to study from a dualities perspective. But also state authorities or public services may be signified by dualities as they for instance have to act on a market or use market-like behavior (Jacobs, et al., 2008).

Organizational identity and dualities: identification/ dis-identification

I suggest studying further how individual organizational members work with the organizational identity. Of particular interest would be to study and compare how family members and nonfamily members work with the family business dualities. We know from previous studies that organizational members identify with their organization but there is also a risk that they dis-identify with it (Barnett & Kellermanns, 2006). For example, Bhattacharya and Elsbach (2002) found that dis-identification is a result of separation between an individual’s identity and the organizational identity. They suggest that this behavior can occur because organizational members do not want to be associated with in their views negative stereotypical attributions of the organization by others. Likewise Milton argues that family members look for identity confirmation in the family business which in turn can become a competitive advantage but also bears risks, that family members ignore non-confirmatory aspects (Milton, 2008). Furthermore, Barnett and Kellermanns found that procedural justice is important for nonfamily members in family businesses. Based on my study the identification and dis-identification will be dependent on how dualities are managed in the respective family business. Also the concept of dualities for family businesses should be developed further as it is very scarce in the extant literature. My findings offer further insight into the role of dualities. That dualities are important in the construction of organizational identity has been remarked before (Achtenhagen & Melin, 2003). Moreover, I want to point out that in the family business it is more relevant to ask, who is involved in organizational identity construction? Due to the peculiarities of family businesses it is not only organizational members with formal roles, e.g. top management, but also family members who do not have a formal role in the business who are involved in organizational identity construction.

Identity claims

Another aspect refers to the role of identity claims. In this and other studies in has been shown useful to understand the organizational identity construction by looking at identity claims. Moreover, I found that there are identity claims that are made by potential organizational stakeholders before the foundation of the organization. Bouchikhi and Kimberly (1996) have called this pre-history. I think that this concept is especially relevant in the study of entrepreneurship,
whose literature has been criticized for often ‘idealizing’ the individual as an entrepreneur (Hellerstedt, 2009) but has considered the pre-history of entrepreneurs (Helfat & Lieberman, 2002). Therefore, what is needed is a broader focus on prehistory aside from personal traits of individuals. It appears relevant to me to consider the context in a broader sense. Recently, Holt et al. (2010) have indicated a concern that the family business literature might not be able to offer much new insight in comparison to the entrepreneurship literature but the family business literature might deliver on the context and prehistory which is in the widest sense what the STEP project does since the family is a unique and important context for entrepreneurship (Nordqvist & Zellweger, 2010). Research following a social actors perspectives emphasizes the categorical character of identity claims (Whetten, 2006). My and other research indicates that identity claims change (Gioia, et al., 2000). In addition, I found that identity claims are changed in order to demonstrate continuity internally and externally. It is possible to alter meanings of identity claims to signaling continuity. These alterations are still anchored and referenced to organizational and founding history. Future research that looks into the use and change of identity claims over time could be promising. Even more so, when change is not only related to change on the surface but also with regards to associated meanings. How, when and why do identity claims change on the surface and in the associated meaning?

**Heritage identity**

In line with Zellweger et al. (2010), I believe that the concept of organizational identity offers plenty of areas and chances for further research. An interesting issue is how the organizational identity is affected if an owning family sells their stake? For instance, Walsh and Glynn (2008) have introduced the term of legacy identity for discontinued organizations. Although, they did not mention family businesses but referred to acquired organizations or temporal organizations the concept is relevant. By questioning ‘who were we?’ or ‘who have we been?’ the relevance of organizational history becomes apparent. Furthermore, Zellweger et al. (Zellweger, et al., 2010) have suggested that it is possible that there are self-proclaimed family businesses which have no family owners. In these organizations the meaning of the family business identity claim will probably look rather different than in a classic family-owned business. It is thinkable that dualities can be found. Even dualities which appear similar to the family business dualities may exist. There could be informality-formality, independence-dependence or historic paths new paths. But these dualities will probably not appear in the same combination (family business dualities) as these require owning family involvement. Due to the close interrelatedness of owning families with the business which some researchers have described as leading to unimitationable familiness (e.g. Habbershon, 2006) I argue that family business dualities can only be found in businesses with some kind of owning family involvement. Still, it could be an interesting avenue of
research to study organizational identity construction in organizations who claim to be a family business but have no owning families who are involved. It is also important to study family-owned businesses which do not perceive themselves as a family business which has been found as a big group (Westhead & Cowling, 1998). Zellweger et al. (2010) have suggested that a family business identity can be a competitive advantage and therefore it is important to understand what makes organizations chose to not emphasize this potential advantage or even neglect being a family business.

Another interesting area for further investigation concerns the development of organizational identity over time. Many researchers, especially those following a social actor perspective take identity as given (Gioia, et al., 2010). Gioia et al. are one of the few who followed an organization from its formation and observed the process of constructing an organizational identity. They highlight the role of drawing on a given setting (industry) and vision. We also know that founders play a central role (Schein, 2004; Stinchcombe, 1965). In the context of family business we further know that there is often an overlap of family and business values which complements to its strength. However, when it comes to successions it is also possible that a business loses its family ownership. Some argue that it still can draw on a family business identity (Zellweger, et al., 2010). But what kind of family business identity is this then, compared to a family-specific identity (Brunninge & Melander, 2011)? Therefore it is interesting what Walsh and Glynn (2008) recently presented a heritage identity. They argue that an organization’s identity can continue to live even though the organization itself has ceased to exist. Likewise, in the branding literature exist the term ‘heritage brand’ which is based on a brand identity, values etc. (Balmer, 2011; Urde, Greyser, & Balmer, 2007). This becomes of particular interest for family businesses that are facing a transition of management and ownership. Not all family businesses will have a succession inside the family and instead someone outside the family will take over the business. Can a former family business still draw on its heritage as a family business even though it is not any longer owned by a family? Who are the ones maintaining the family business heritage? Some kind of involvement of family owners is necessary otherwise there will be no family business dualities and family business identities.

Memory and forgetting

In recent studies on organizational identity and its construction more and more scholars draw on collective memories and forgetting (Anteby & Molnár, 2012). The aspect of forgetting however assumes a dualistic thinking, e.g. that organizational members selectively remember and forget. This follows also an either/or-logic. From a dualities perspective such theorizing could be interpreted differently in that seemingly contradictory elements co-exist and complement another. Managing dualities by balancing tensions could offer an alternative explanation. With regards to the family business context it is
9 Conclusion

It is interesting to see how family businesses deal with episodes in their family and business history which they prefer to forget or at least do not want to remember too vividly. Gordon and Nicholson (2008) illustrate in their book on family wars several stories where things went wrong and which many families involved may want to forget. Booth et al. (2007) argue organizations need to account for their history and give an example of Bertelsmann who was held accountable for their history during the Nazi-era when they planned to take over Random House. But ultimately, owners are responsible and are held accountable. So forgetting may not always be a suitable strategy. Therefore it would be interesting how family businesses deal with remembering and forgetting dark episodes of their history.

Socioemotional wealth.

Another theoretical construct which is related to dualities is socioemotional wealth. In their study of Spanish olive-mills, Gómez-Meija et al. (2007) found that family firms are not necessarily risk averse, as commonly thought. Instead, family firms are willing to take risks in order to avoid losing their socioemotional wealth which has been defined as a sum of non-financial benefits an owning family can derive from the business. Socioemotional wealth can include the “ability to exercise authority […], the satisfaction of needs for belonging, affect, and intimacy […], the perpetuation of family values through the business […], the preservation of the family dynasty […], the conservation of the family firm’s social capital […], the fulfillment of family obligations based on blood ties rather than on strict criteria of competence […], and the opportunity to be altruistic to family members […].”

Furthermore, they argue that socioemotional wealth fulfills the need for identification.

In another study, Berrone, Cruz and Gomez-Mejia showed that publicly listed family firms pollute less than non-family firms. Their argument why they do so is that family businesses are concerned about the socioemotional wealth and therefore care for their image, e.g. by polluting they would endanger their image and the socioemotional wealth (Berrone, et al., 2010). When identifying with an organization, its members can derive strong non-economic (or socioemotional) benefits from the membership (e.g. Ashforth & Mael, 1989).

Coming back to dualities, Gómez-Mejía et al. argue that family businesses are risk-willing and risk-averse at the same time. Ultimately, they suggest that an owning family is not willing to give up family control, even though this would mean a lower risk profile. Eventually, socioemotional wealth represents one side of a duality that could be called financial/nonfinancial or more precisely financial wealth/socioemotional wealth. Family businesses also strive for

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28 In the original article, Gómez-Meija et al. Refer to references that found these different aspect of what they label socioemotional wealth. For readability-purposes I excluded them in this quote.
financial performance but not only. As plenty of studies suggest are nonfinancial goals equally important for family businesses. This is what socioemotional wealth is about. There appear to be two underlying key aspects in socioemotional wealth. The first is the family business identity and the other is employee identification with the family business identity. In the family business literature are some claims that organizations which are family owned can develop a family business identity. This family business identity will be based on dualities as I have shown with my two studied organizations. Socioemotional wealth includes an affective need for ‘identity’ (Gomez-Mejia, et al., 2011). Family business owners should be interested in constructing and maintaining a family business identity. The second aspect is the identification. The focus of socioemotional wealth is mainly on family business owners and their family members. However, from the literature on psychological ownership we know that not only actual owners can develop feelings of belonging to an organization. How the identification of nonfamily members develops and is maintained is another interesting question that further research should address. Furthermore, an important question is how the wealth duality relates to other dualities. There could be tensions when socioemotional wealth is related to historic paths or new paths. Owners and managers need to balance the paths so that socioemotional wealth can be created. But it is possible that there are differences in what creates socioemotional wealth to different owners, even members of the same family may receive different value from the same paths.

9.4 Practical implications

The involvement of owning family members in a business will lead other stakeholders to recognize and categorize the business as family business. This raises certain expectations from other stakeholders. Owners and especially those active in the business need to respond to these expectations. Otherwise these expectations will lead to misunderstandings and disappointments. Depending on the size of an organization owning family members can use multiple communication channels to address other stakeholders. Channels can be forums like governing boards where other stakeholders are represented or internal communication tools such as newsletters or reports. Other stakeholders see owning family members as role models whether they agree or not. They set standards on what is acceptable behavior in the organization. Therefore it is advisable to take an active role as owning family members and discuss what they expect from the business and how they see their roles. This awareness is equally important for members who are not at the forefront of the business.

Owning family members can think of what it is that is important for them, which goals they want to achieve. This discussion should not be a one-time event but rather could be discussed continuously and repetitively, e.g. when
new members enter the family. It is important to avoid either or thinking. If family members have seemingly opposing ideas it may just indicate that a solution for a compromise is more complex and ask for longer time horizons, e.g. when it comes to financial returns to not endanger the business.

Managing dualities has been framed as a leadership task which makes it relevant for practitioners (Evans, 1999; Sánchez-Runde & Pettigrew, 2003). This is true for family businesses (Schuman, et al., 2010). Managers need to be aware of dualities which entails an openness and avoiding either or thinking. However, in the family business context it is not only managers but particularly owners who need to be involved in working with the dualities. Addressing dualities requires a shift of perspective by managers and owners from an either/or thinking to an both/and-perspective as Sánchez-Runde and Pettigrew (2003) argue. This is necessary to allow taking advantage of dualities by drawing on its interdependentness as well as interconnectedness. Family business owners and managers need to think of family and business not as two separate and opposing systems with different goal structure but instead can complement another. But this also requires that certain decisions have to be explained as family aspects might not be known by all organizational members. The involvement of an owning family, for instance their presence at events, can strengthen the relationship from the business and the family side. Therefore it is useful to explain the underlying motives of owning families so nonfamily members can follow their reasoning.

Concerning the family business dualities owning families should be aware of them and their potential. Independence-dependence is a classic example. Most owning families want to be independent. They do not want that a bank or the stock-market tells them how to run their business. However, doing business usually requires some dependencies. These could be key customers or suppliers. Owning families should think about what it is that should be independent. Maybe securing long-term independence requires some joint partnerships with customers or suppliers. Formality-informality should also be in the focus. Informality is considered as a classic strength of family businesses. If so, family businesses should try to foster a certain degree of informality. However, growing and expanding businesses may benefit from a degree of formalization. How is in charge of what? What happens if a key person is not available? Having answers to these and other questions which are known in the organization will do no harm and the organization can continue in case unforeseen events occur. Research has related this also to professionalization. Being professional is not a question of size or age but a question of competence (Hall & Nordqvist, 2008). Family business owners are often very competent and that is why they lead the business successfully. At times, it could be useful to reflect about whether a family business has the right mode of professionalization (Stewart & Hitt, 2012). There are different modes which may balance the relationship between formality and informality. Regarding historic paths-new paths owning families need to reflect about what they are.
Not every old factory or product may be a historic path. Likewise, not every new trend or fad has to be a new path. Owning families can consciously discuss what the heritage of the family business is which should be preserved and at the same time where new opportunities arise that can become new paths. These paths can be balanced in terms of resource allocation as well as family involvement. This is important, in order to gain support among other stakeholders owning family members have to be involved. It cannot be recommended to take decisions only in the family and maybe present the results to other stakeholders. Others stakeholders are a valuable resource that can help in balancing the tensions of dualities.

Even though some might prefer a strict separation between family and business life it seems mostly wishful thinking to realize that. Rather, it seems important to raise awareness and open different ways to get involved in the business. Being a family business is not a disadvantage. If tensions between family and business can be balanced the family can become a strength and source of inspiration. Being able to combine the informal, familial style of leadership and communication with being professional is not in contradiction. Likewise, it can be advantageous to build on historic paths and related experiences in order to be more alert and open for new paths. Here, a division of labor between different generations of owners could be fruitful. Eventually, there is no contradiction to rely on old paths and at the same time develop new ones.

The claim of being a family business is a statement of identity which in particular nonfamily members are aware of. Nonfamily members could feel excluded by the claim of being a family business because they are not part of the owning family. In other words, owning families should be aware of the influence they have on their organization. They should clarify to their stakeholders what this means for them. Not being open in that regard may include the risk that nonfamily members disidentify from the organization since it is the family’s business and they have to take care of it. Therefore it is advisable to invite and include other stakeholders in activities which relate to managing the dualities. It is not family or nonfamily but family and nonfamily who are important in balancing tensions. Being in an ongoing dialogue will benefit the organization and their stakeholders.
### Appendix I:
**Data sources in MRP and Stampen**

**Table 15 Interviews MRP**

<table>
<thead>
<tr>
<th>Name/abbreviation</th>
<th>Position</th>
<th>When</th>
<th>Where</th>
<th>Language</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Karl Hans Arnold (KHA)</td>
<td>Managing director RBVG, designated chief MD, 3rd generation owner</td>
<td>10.02.2009</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Christian Witt (CW)</td>
<td>Trainee RBVG</td>
<td>11.2.2009</td>
<td>His colleague’s office</td>
<td>German</td>
</tr>
<tr>
<td>Katrin Händeler (KH)</td>
<td>Trainee RBVG</td>
<td>11.2.2009</td>
<td>Her department’s meeting room</td>
<td>German</td>
</tr>
<tr>
<td>Timm Weißmann (TW)</td>
<td>Trainee RBVG</td>
<td>11.2.09</td>
<td>My guest office</td>
<td>German</td>
</tr>
<tr>
<td>Sandra Hoppe (SH)</td>
<td>Trainee RBVG</td>
<td>11.2.09</td>
<td>My guest office</td>
<td>German</td>
</tr>
<tr>
<td>Horst Wendland (HW)</td>
<td>Head of finance department</td>
<td>12.2.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Kurt Pfeiffer (KP)</td>
<td>Head of organization and methods department</td>
<td>12.2.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Gerhard List (GL)</td>
<td>Head of controlling department</td>
<td>12.2.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Volker Kaufels (VK)</td>
<td>Personnel director</td>
<td>12.2.09</td>
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<td>German</td>
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<tr>
<td>Stephan Marzen (SM)</td>
<td>Head investments management department</td>
<td>13.2.09</td>
<td>My guest office</td>
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<tr>
<td>Clemens Bauer (CB)</td>
<td>Chief managing director</td>
<td>13.2.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Matthias Tietz (MT)</td>
<td>MD printing unit</td>
<td>13.2.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Sven Gösmann (SG)</td>
<td>Editor in chief RP</td>
<td>13.2.09</td>
<td>His office</td>
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(Table 15 continued)

<table>
<thead>
<tr>
<th>Name/abbreviation</th>
<th>Position</th>
<th>When</th>
<th>Where</th>
<th>Language</th>
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<tr>
<td>Dr. Esther Betz (EB)</td>
<td>Publisher and shareholder (2nd generation)</td>
<td>23.3.09</td>
<td>My guest office</td>
<td>German</td>
</tr>
<tr>
<td>Dr. Gottfried Arnold (GA)</td>
<td>Publisher, chairman of the board, 2nd generation owner</td>
<td>23.3.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Dr. Manfred Droste (MD)</td>
<td>2nd generation shareholder</td>
<td>23.3.09</td>
<td>His office Schadow Arkaden</td>
<td>German</td>
</tr>
<tr>
<td>Felix Droste (FD)</td>
<td>3rd generation shareholder</td>
<td>23.3.09 (not planned, spontaneous)</td>
<td>His office Schadow Arkaden</td>
<td>German</td>
</tr>
<tr>
<td>Wolfram Goertz (WG)</td>
<td>Editor culture RP</td>
<td>24.3.09</td>
<td>My guest office</td>
<td>German</td>
</tr>
<tr>
<td>Irene Wenderoth-Alt (IWA) &amp; daughter Elisabeth Alt (EA)</td>
<td>2nd and 3rd generation shareholder</td>
<td>24.3.09</td>
<td>Their living room (Jüchen)</td>
<td>German</td>
</tr>
<tr>
<td>Matthias Tietz (MT), Bernd Twellmeyer (BT)</td>
<td>MD printing unit; manager rotation unit,</td>
<td>25.3.09</td>
<td>(visiting printing shop)</td>
<td>German</td>
</tr>
<tr>
<td>Dr. Ridder (DR)</td>
<td>Member of the board, external but appointed by Wenderoth-Alt</td>
<td>25.3.09</td>
<td>My guest office</td>
<td>German</td>
</tr>
<tr>
<td>Lutz Rensch (LR)</td>
<td>Deputy head of advertising</td>
<td>25.3.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Dr. Rainer Kurleman (RK)</td>
<td>Editor in chief rp-Online</td>
<td>26.3.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Horst Thoren (HT)</td>
<td>Deputy editor in chief RP</td>
<td>26.3.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Martin Bewerunge</td>
<td>Chief of service RP</td>
<td>26.3.09</td>
<td>Thoren’s office</td>
<td>German</td>
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<tr>
<td>Franz Leo Mai (FLM)</td>
<td>Work council member</td>
<td>26.03.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Monika Ophey</td>
<td>Head of work council</td>
<td>26.03.09</td>
<td>FLM’s office</td>
<td>German</td>
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<tr>
<td>Roman Latuske (RL)</td>
<td>Member of the managing board mfra</td>
<td>4.5.09</td>
<td>His office</td>
<td>German</td>
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<tr>
<td>Roman Breitenfelner (RB)</td>
<td>Member of the managing board mfra</td>
<td>4.5.09</td>
<td>His office</td>
<td>German</td>
</tr>
<tr>
<td>Michal Hanák (MH)</td>
<td>Editor in chief idnes.cz</td>
<td>4.5.09</td>
<td>His office</td>
<td>English</td>
</tr>
<tr>
<td>Robert Cásensky (RC)</td>
<td>Editor in chief Mladá fronta Dnes</td>
<td>4.5.09</td>
<td>Michal’s office</td>
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### Table 16 Interviews Stampen

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<tr>
<th>Who</th>
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<th>When</th>
<th>What</th>
<th>Where</th>
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<td>Peter Hjörne</td>
<td>Owner and editor in chief for political pages of GP</td>
<td>28.01.2009</td>
<td>Face-to-face</td>
<td>His office, GP-hus</td>
<td>Swedish/English</td>
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<tr>
<td>Tomas Brunegård</td>
<td>CEO of Stampen</td>
<td>08.06.2009</td>
<td>Both face-to-face</td>
<td>His office, GP-hus</td>
<td>English</td>
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<tr>
<td></td>
<td></td>
<td>19.08.2009</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lindy Ai</td>
<td>COO EKO Tree Family Life</td>
<td>30.09.2009</td>
<td>Face-to-face</td>
<td>Her office, Beijing, China</td>
<td>English</td>
</tr>
<tr>
<td>Cecilia Krönlein</td>
<td>Executive editor GP</td>
<td>24.05.2010</td>
<td>Telephone interview</td>
<td></td>
<td>English</td>
</tr>
<tr>
<td>Jonathan Falk</td>
<td>Editor in chief GP</td>
<td>08.03.2010</td>
<td>Face-to-face</td>
<td>His office, GP-hus</td>
<td>English</td>
</tr>
<tr>
<td>Peder Schumacher</td>
<td>CEO V-TAB</td>
<td>09.11.2009</td>
<td>Face-to-face</td>
<td>Meeting room, V-TAB</td>
<td>English</td>
</tr>
<tr>
<td>Ricard Robbstål</td>
<td>Senior Vice President Advertising, Circulation &amp; Marketing GP</td>
<td>24.02.2010</td>
<td>Telephone interview</td>
<td></td>
<td>English</td>
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<tr>
<td>Gunnar Springfeldt</td>
<td>VP Development Stampen Group</td>
<td>25.02.2010</td>
<td>Telephone interview</td>
<td></td>
<td>English</td>
</tr>
<tr>
<td>Mats Säthe</td>
<td>Union representative in Stampen board of directors</td>
<td>25.03.2010</td>
<td>Face-to-face</td>
<td>Lounge, GP-hus</td>
<td>English</td>
</tr>
<tr>
<td>Glenn Gyllenhammar</td>
<td>Union representative in Stampen board of directors</td>
<td>27.05.2010</td>
<td>Face-to-face</td>
<td>His office, GP-hus</td>
<td>Swedish/English</td>
</tr>
<tr>
<td>Erik Söndén</td>
<td>Trainee Stampen Media Partner</td>
<td>08.03.2010</td>
<td>Face-to-face</td>
<td>Meeting room, GP-hus</td>
<td>English</td>
</tr>
<tr>
<td>Jennie Engleson</td>
<td>Trainee GP</td>
<td>09.11.2009</td>
<td>Face-to-face</td>
<td>Meeting room, GP-hus</td>
<td>English</td>
</tr>
<tr>
<td>Lennart Hörling</td>
<td>Chairman of the board of directors Stampen</td>
<td>30.08.2010</td>
<td>Face-to-face</td>
<td>NLT (Lidköping) his office</td>
<td>Swedish</td>
</tr>
<tr>
<td>Lennart Ohlsson-Leijon</td>
<td>Former chairman Stampen board of directors</td>
<td>(11.11.2010: breakfast meeting styrelseakedemin)</td>
<td>Telephone interview</td>
<td>(Elmia, Jönköping)</td>
<td>Swedish</td>
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<td></td>
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<td>16.11.2010</td>
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Table 17 Other data sources

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<td><strong>MRP</strong></td>
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<tr>
<td>(Betz, 1973)</td>
<td>Autobiography</td>
<td>Background Anton Betz; to understand founder and foundation (MRP)</td>
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<tr>
<td>(Betz, 1963)</td>
<td>Article in edited book</td>
<td>Background; to understand foundation (MRP)</td>
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<td>(Stadt Museums, 1986)</td>
<td>Exhibition book</td>
<td>Background on time of foundation (MRP)</td>
</tr>
<tr>
<td>(Wenderoth, 1994)</td>
<td>Autobiography</td>
<td>Background Erich Wenderoth; to understand founder and foundation (MRP)</td>
</tr>
<tr>
<td>(Hüwel, 2008)</td>
<td>Biography</td>
<td>Background Karl Arnold (MRP)</td>
</tr>
<tr>
<td>(Henkel, 2011)</td>
<td>Biography</td>
<td>Background on Anton Betz and foundation</td>
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<tr>
<td><strong>Stampen</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Hjörne, 1965)</td>
<td>Autobiography</td>
<td>Background Harry Hjörne; to understand time of taking over GP (Stampen)</td>
</tr>
<tr>
<td>(Segerstedt Wiberg, 1993)</td>
<td>Report</td>
<td>Background Harry Hjörne /GP (Stampen)</td>
</tr>
<tr>
<td>(Gelotte, 1999)</td>
<td>Interview book</td>
<td>Background on Lars Hjörne (Stampen)</td>
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<tr>
<td>(Harning, 1977)</td>
<td>Novel</td>
<td>Background on GP (Stampen)</td>
</tr>
<tr>
<td>(Gellerman, 1998)</td>
<td>Essay book</td>
<td>Background on political orientation of GP (Stampen)</td>
</tr>
<tr>
<td>(Lindström et al., 2003)</td>
<td>Edited book</td>
<td>Background information NLT, Hörling (Stampen)</td>
</tr>
</tbody>
</table>
Appendix 2: Sample interview guides

Interview guide Stampen board member:

About yourself /Om dig själv
What are you doing? / Vad gör du?

About Stampen /Om Stampen
GP had 150th anniversary what did it mean for Stampen? / GP hade 150-årsjubileum, vad betydde det för Stampen?
(GP as liberal newspaper) / (GP som liberal tidning)
What does Stampen stand for? Vad står Stampen för?
Is there a common understanding of what Stampen is? Finns det en gemensam förståelse för vad som är Stampen?
Do you have a mission or vision that unites Stampen? Har du en mission eller vision som förenar Stampen?
How is Stampen different from its competitors? Hur skiljer sig från Stampen sina konkurrenter?
What is distinctive about Stampen? Vad är utmärkande på Stampen?

About board work Om styrelsearbete
How long have you been on the Stampen board? Sedan när är du på Stampen styrelse?
What is your role in the board? Vilken är din roll i styrelsen?
What do you want to achieve? Vad vill du uppnå?
Do you cooperate with other employee representatives? Samarbetar du med andra arbetstagarrepresentanter?
Is it good that the employees are on the board? Är det bra att anställda är på styrelsen?
Tell me about
Peter Hjörne?
Josefin Hjörne?
Other owners?
INSEAD?
Lennart Ohlsson-Leijon?
Lennart Hörling?
Interview guide MRP:

Introduction
Do you approve that I record our conversations and your name and your answers in my dissertation project?
About yourself: your background? Since when at MRP?
Please describe the organization from your viewpoint!

Aspects governance:
Role of owners
Relation between owners and management
Relation between owners and editorial
Governance guidelines
Aspects organizational identity:
How do you describe MRP?
What differentiates MRP from its competitors?
Are there organizational values/organizational philosophy/culture?

Aspects foreign activities:
What is the relationship between domestic and foreign activities?
Is there cooperation/exchange?
Appendix 3:  
Description of business activities in MRP

The business segment newspaper is the biggest in terms of turnover and results but also in terms of employees. Units in this segment are RP, which is the flagship, but also shareholdings in Zeitungsverlag Aachen (ZVA), 24.9%, and Neusser-Zeitungsverlag (NZV). The shareholding in NZV was 50% since 1950. In 2009 the residual 50% were purchased so NZV is now a wholly owned subsidiary. In addition, there is cooperation with the Bocholter-Borkener Volksblatt (BBV) which takes some editorial content from the RP and there exists joint advertising sales for RP, NZV and BBV. The BBV is also printed in the printing facilities of the RP as opposed to the NZV which has own printing facilities. Moreover, MRP is shareholder in the advertising cooperation North Rhine (ACN) with other competing publishing houses from the region. This cooperation markets ads for approximately 1.5 million sold copies. There is cooperation in delivery with the publishing house W. Giradet.

The business segment online includes “rp-online” the online edition and some other regional portals. The online and print editors cooperate through a joint news-desk.

The business segment advertising papers includes two units. The bigger unit with a circulation of 1.37 is in cooperation with W. Giradet where MRP holds 65%. The second unit is a wholly owned subsidiary with a circulation of ca. 0.515 million. The first unit has 21 regional issues and the second unit has two titles. Both units are issued twice weekly, Wednesdays and Saturdays.

The business segment radio and TV includes 12 shareholdings in local radio stations. In three stations that broadcast in the distribution area of the RP the MRP has managerial control. Moreover, there is a 5% stake in a radio station that broadcasts within the federal state of North Rhine-Westphalia as well as a 10% stake in radio station in Thuringia. The TV activities are a 30% share in a local TV station called center.tv which broadcasts Düsseldorf and Neuss.

The business segment shopping-center and real estate includes the shopping mall “Schadow-Arkaden” which is located in one of Düsseldorf’s best locations close to the Königsallee. The shopping mall was build on the former head quarter of the MRP. In addition, MRP holds a holiday resort in Oberstdorf.

The business segment central services includes a cooperation with W. Giradet internal services such as finance, personnel, accounting, purchasing and revision. MRP holds 65% of this joint venture. In addition, there is a service
unit, circ IT, which provides IT services. The company is a cooperation between W. Giradet and MRP as well as Holtzbrink.

The business segment Czech Republic includes all activities in the Czech Republic. The activities are grouped in the Mafra a.s. There are approximately 1600 people employed. The activities include MF Dnes the leading quality newspaper in the Czech Republic with a circulation of 301000 as well as Lidové noviny another national title with a circulation of 68000. Furthermore, there are two printing factories in Prague and Olmuettz. Since 2007 the company issues the free daily “metro” in Prague. In this venture Mafra holds 60%. The remaining shares are owned by Metro PLC. The activities also include several national websites and portals. Also a music TV channel is part of the portfolio as well as radio stations. Finally, there are minority shareholdings in a national press wholesaler and a logistic and distribution firm.

In Poland there are two regional newspapers and a printing factory.

In the Netherlands there is a holding in a joint venture with a weekly advertisement paper with a weekly circulation of 2 million copies.
Appendix 4: The planned circulation of three license newspapers for Düsseldorf

Table 18 Planned circulation of license newspapers in Düsseldorf

<table>
<thead>
<tr>
<th></th>
<th>Rheinische Post</th>
<th>Rhein-Echo</th>
<th>Freiheit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Düsseldorf</td>
<td>32000</td>
<td>32000</td>
<td>32000</td>
</tr>
<tr>
<td>Wuppertal</td>
<td>20000</td>
<td>26000</td>
<td>26000</td>
</tr>
<tr>
<td>Essen</td>
<td>31000</td>
<td>32000</td>
<td>32000</td>
</tr>
<tr>
<td>Muelheim</td>
<td>9000</td>
<td>12000</td>
<td>10000</td>
</tr>
<tr>
<td>Duisburg</td>
<td>18000</td>
<td>18000</td>
<td>18000</td>
</tr>
<tr>
<td>Oberhausen-Sterkrade</td>
<td>10000</td>
<td>9000</td>
<td>9000</td>
</tr>
<tr>
<td>Remscheid</td>
<td>7000</td>
<td>8000</td>
<td>12000</td>
</tr>
<tr>
<td>Solingen</td>
<td>8000</td>
<td>10000</td>
<td>13000</td>
</tr>
<tr>
<td>Krefeld</td>
<td>22000</td>
<td>15000</td>
<td>15000</td>
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<tr>
<td>Mönchen-Gladbach/Rheydt</td>
<td>14000</td>
<td>11000</td>
<td>11000</td>
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<tr>
<td>Neuss-Grevenbroich</td>
<td>11000</td>
<td>9000</td>
<td>7000</td>
</tr>
<tr>
<td>Mettmann</td>
<td>14000</td>
<td>13000</td>
<td>13000</td>
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<tr>
<td>Rhein-Wupper (Opladen)</td>
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<td>Geldern</td>
<td>4000</td>
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<td>Kleve/Wesel/Rees</td>
<td>8000</td>
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<td>Dinslaken</td>
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<tr>
<td>Moers</td>
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<td>12000</td>
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<tr>
<td>Total circulation</td>
<td>235000</td>
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Adapted from Betz (1963)
Appendix 5:
Political orientation of newspapers in Stampen

Table 19 Newspapers in Stampen

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<th>Newspaper</th>
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<td>GP</td>
<td>Liberal</td>
<td>Stampen AB</td>
</tr>
<tr>
<td>Arboga Tidning/Bärgslagbadet</td>
<td>Liberal</td>
<td>Promedia/Stampen</td>
</tr>
<tr>
<td>Avesta Tidning</td>
<td>Politically independent</td>
<td>Promedia/Stampen</td>
</tr>
<tr>
<td>Bohuslänningen</td>
<td>The paper’s editorial page is independent liberal.</td>
<td>Stampen</td>
</tr>
<tr>
<td>Fägersta Posten</td>
<td>Liberal</td>
<td>Promedia/Stampen</td>
</tr>
<tr>
<td>Hallands Nyheter</td>
<td>Centerparty-oriented</td>
<td>Centertidningar became majority owner in 1975. Hallands Nyheter is a subsidiary to Stampen.</td>
</tr>
<tr>
<td>Hallandsposten</td>
<td>Liberal</td>
<td>Hallandsposten is a wholly-owned subsidiary of Mediabolaget i Halland AB which is owned by Stampen AB and Lidköpingspress AB through Mediabolaget Västkusten AB.</td>
</tr>
<tr>
<td>Karlskoga-Kuriren</td>
<td>Independent Social Democratic</td>
<td>Promedia/Stampen</td>
</tr>
<tr>
<td>Lidingo Tidning</td>
<td>Politically independent local subscription paper</td>
<td>Mitt i Stockholm AB/ Stampen</td>
</tr>
<tr>
<td>Länstitningen Södertälje AB</td>
<td>Centerparty-oriented</td>
<td>VLT/Stampen</td>
</tr>
<tr>
<td>Motals &amp; Vadstena Tidning</td>
<td>Independent Liberal</td>
<td>Promedia/Stampen</td>
</tr>
<tr>
<td>Nerikes Allehanda</td>
<td>Independent Liberal</td>
<td>Promedia/Stampen</td>
</tr>
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<td>Nynashamns Posten</td>
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<td>Promedia/Stampen</td>
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</tbody>
</table>

Information retrieved from the respective websites.
References


References


References


References


References


References


References


References


References


References


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