

Socioemotional wealth in family firms: A longitudinal content analysis of corporate disclosures

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Abstract

Family business literature has noted the nature and presence of socioemotional wealth (SEW) in family firms. One method of observing SEW is by a five-dimension approach, collectively termed FIBER. While the dimensions are well defined, they have been critiqued, as have the theoretical foundations of SEW. Regardless, given the concept of SEW is about a decade old and the FIBER dimensions less so, it is reasonable to argue more research is needed. One potentially useful research approach is an historical one, which we will here term SEW history – the use of historical research to support (or question) the development of SEW as a concept. We undertake a content analysis of the corporate disclosures through the Chairman’s Statement of two Irish family breweries over a period of about two decades. To conduct the analysis, we develop a coding scheme based on the FIBER dimensions and offer some research propositions around these dimensions of SEW being stable (or not) over time. Our findings reveal that the Chairman’s Statement does include FIBER dimensions in both breweries and they do change over time. Subsequent statistical analysis reveals significant differences in the FIBER dimensions between the two breweries and context is revealed as a key issue in the assessment of SEW, something prior research has noted. The study also raises some questions on the nature of some FIBER dimensions, in particular the “I” dimension.

Keywords: Socioemotional wealth; FIBER, content analysis; Chairman’s Statement

Highlights

- this study presents an analysis of the FIBER dimensions of SEW from a historic perspective, an approach we term SEW history.
- using a content analysis of corporate disclosures, we develop a coding scheme based on the FIBER dimensions of SEW.
- our results show FIBER dimensions change over time and differ between two companies analysed. Context is a key point in the assessment of SEW.

Introduction

As noted by Berrone, Cruz, and Gómez-Mejía (2012, p.258) “early studies in the family business field suffered from significant methodological problems and were largely descriptive and atheoretical”. They also note that over time, the field began to move away from theoretical approaches borrowed from other disciplines, instead developing approaches which recognise the uniqueness of family businesses. One of these developments is the notion of socioemotional wealth (SEW) in family firms, which draws on behavioural agency theory. Gómez-Mejía, Haynes, Núñez-Nickel, Jacobson, and Moyano-Fuentes (2007) suggest SEW has several forms in family firms such as; the ability to exercise control, belonging, perpetuation of family values, maintaining family dynasty, conservation of social capital, deciding on blood-ties rather than competence and family altruism. Berrone et al. (2012, p.259) summarise SEW succinctly as the “stock of affect-related value that a family derives from its controlling position”.

Drawing on extant literature, Berrone et al. (2012) propose five dimensions which may be used to observe SEW, which they label FIBER (see later). However, they note that prior research is lacking in instruments or methods to assess these dimensions, or SEW in general. A recent study by Debicki, Kellermanns, Chrisman, Pearson, and Spencer (2016) has made some progress in this area, developing a measurement scale of the importance of SEW, which they term SEWi. However, other work still notes problems with measurement of SEW, and indeed has issues with some of the underlying assumptions on SEW. Gómez-Mejía et al. (2007) first proposed the notion of SEW in a family business context, making the concept relatively novel. Thus, questions and calls for more research on what SEW is, how to measure it, does it have sound underpinnings and so on are to be expected. In particular, some fundamentals of SEW have been questioned in recent research by Hasenzagl, Hatak and Frank (2018). They also question an implied “quantitative-methodology combined with an underlying positivist epistemological attitude” (Hasenzagl et al. 2018, p.208) suggested by Berrone et al. (2012) in regard to the measurement of SEW. However, they also acknowledge that Berrone et al. (2012) suggest several methodologies may be useful to assess SEW, one of which is content analysis. This method is not widely used in the family business literature and to the best of our knowledge, no content analysis studies specifically address the FIBER dimensions of SEW.

Following on from the above, we present a content analysis around the FIBER dimensions of SEW. Given some critique and questions around SEW, the objective of this study is to explore SEW over a longer historical timeframe, using the FIBER dimensions, to explore if, and how, these dimensions change over time – we develop our objective into some propositions later. The longer time dimension is an important factor of this study, as most studies thus far have explored SEW in instances of time as opposed to over time, and are arguably lacking empirical data. Indeed, the original paper by Gómez-Mejía (2007) arguably draws on an instance in time when firms made a particular decision. From the content analysis, we hope to offer some tentative explanations of why changes occur, or not. We term this approach SEW history, a term we draw from the work of Rowlinson and Hassard (2013) on neo-institutionalist history. This latter term refers to “the use of historical research to illustrate or advance neo-institutionalist theory” (ibid., p.111). Thus, in the same way, we will use historical research to explore SEW through the FIBER dimensions and hopefully add some interesting contributions to the on-going debate. The content analysis is of the Chairman’s Statement of two Irish breweries, both of whom we can classify as family firms (see more detail later). The Chairman’s Statement is a key corporate disclosure, normally contained within the annual report of a company, and in general is publically available. To conduct the analysis, we developed a coding scheme for each of the FIBER dimensions (see the Methods section and Appendix 1). We analysed 23 Chairman’s Statements for each brewery and conducted statistical analysis based on the coded data. The results reveal an interesting picture of the FIBER dimensions over time, and also reveal some significant differences between the two breweries, which we discuss relative to the concept of SEW and to some of the critiques of it.

The remainder of this paper is organised as follows. In the next section, we provide some background literature on SEW (including critiques), the use of content analysis methods in family business and general literature and a brief review of historical research on family business. A methods section follows, wherein we outline the content analysis method adopted and our two cases. We then present the results of our statistical analysis, and follow this up with a discussion and concluding comments.

Literature

We now provide a review of some relevant literature across three headings – SEW, content analysis and family business history. The first two are clearly connected to our research objective. A brief review of history literature is more driven by the approach we take – analysis of historical documents.

Socioemotional wealth

We will now briefly outline the nature of SEW as detailed in extant literature. We will draw mainly on the work of Berrone et al. (2012) to inform our content analysis and what we present here is not intended to be an extensive review. We will also summarise some more recent literature which critiques SEW.

Gómez-Mejía et al. (2007) labelled the non-economic utility family business owners derive from their business as SEW or affective “endowments”. The term describes how emotions, social capital and altruism affect the management of the business, primarily as families seek to preserve SEW within the business. Gómez-Mejía, Cruz, Berrone, and De Castro (2011) provide an extensive review of how SEW preservation can affect management processes, strategic choices, governance, stakeholder relationships and business ventures. They argued that “the socioemotional wealth view presented here [...] synthesizes the set of factors that arguably make family firms different” (2011, p.695), suggesting that an SEW approach may help explain how and why family businesses make the decisions they do. That is, SEW may be a “theoretical cannon” (ibid.). However, as noted by Berrone et al. (2012), prior research had not explored the dimensions of SEW in detail – something which is arguably necessary to explore any theoretical construct. Berrone et al. (2012) draw on a wide variety of family business literature to derive five dimensions of SEW, labelled FIBER (see Table 1). We do not engage in a detailed debate on each of these dimensions here, as for initial coding purposes in our content analysis, we accept them as described.

<i>Dimension</i>	<i>Brief description</i>
Family control and influence	Control and influence of family members – for example, CEO or top management are or are appointed by family members
Family members’ Identification with the firm	Close identification of the family with the firm – for example, the business carries the family name
Binding social ties	Social relationships of family firms, both between family members and the family and others such as suppliers
Emotional attachment	The role of emotions in the business, for example, family emotions may influence business decisions
Renewal of family bonds to the firm through dynastic Succession	Handing business from one generation to the next, keeping family heritage and tradition in the longer-term

Table 1 – the FIBER dimensions of SEW – drawing on Berrone et al. (2012)

The first dimension is Family control and influence, and refers to the control and influence of family members. This may include either retaining or appointing the CEO or by being part of, or appointing the management team. While such control and influence may stem from a strong ownership position, it may also be informal control through status or charisma. Second is family members’ Identification with the firm. This refers to the “intermeshing of family and business” (Berrone et al., 2012, p.262). Internally, this affects attitudes towards staff and how the internal business processes operate, while externally, family members may be concerned with their image to stakeholders. Third is Binding social ties, which refers to the firm’s social relationships. These relationships are not only within the family, but may include loyal suppliers, support of communities, charities and sporting teams. Fourth is Emotional attachment, which refers to the role of emotions in family businesses. Emotions can affect decision-making, leading to dysfunctional behaviour in comparison to similar non-family scenarios. Altruism, benevolence and trust may also feature here. Finally, Renewal of family bonds to the firm through dynastic succession is the last dimension. This refers to keeping the ownership of the business within the family and passing it on to the next generation.

The extant literature also provides some criticisms around SEW, which are worthy of mention. Kellermanns, Eddleston, and Zellweger (2012) suggest there is a dark side to SEW, which can affect non-family stakeholders. They note, for example, that family firms may be willing to accept

greater performance risk (see Gómez-Mejía et al., 2007), ignore or eliminate organisational controls (see Kidwell & Kidwell, 2010) or seek a higher business valuation from non-family members, all due to SEW. They also suggest SEW can have a positive and a negative valence, which together with factors such as those just mentioned, suggests “SEW can also be an affective burden that can be costly to stakeholders” (Kellermanns et al., 2012, p.1179). Naldi, Cennamo, Corbetta, and Gomez-Mejia (2013) suggest SEW can be both an asset and a liability, depending on business context. For example, SEW, as embodied in a family CEO has negative performance effects on firms quoted on a stock exchange, and could thus be construed as a liability. On the other hand, their findings suggest family CEOs of firms within industrial districts allows them to “align the firm’s objectives and business practices with those of the environment and thereby achieve higher performance as a result of the proper fit between the firm’s objectives and the requirements of the environment” (ibid., p.1347). In this latter case, SEW is more akin to an asset., Hauck, Suess-Reyes, Beck, Prügl, and Frank (2016) while not directly critiquing SEW, offer a more refined measurement of SEW, which draws on Berrone et al. (2012). This refinement focusses on the “R”, “E” and “I” dimensions, which Hauck et al. (2016) suggest are representative of the core of SEW. In a more in-depth analysis of the underpinning of SEW, Hasenzagl et al. (2018, p.199) use a problematisation methodology (see Alvesson & Sandberg, 2011) “to challenge the coherence of the theoretical assumptions underpinning SEW”. Their study offers some interesting critiques of SEW as a result of this useful methodology, suggesting that a new systems theory approach may be useful to help re-frame a more solid theoretical understanding of SEW. For this paper, one particular point raised by Hasenzagl et al. (2018, p.217) is that “the current conceptualization of SEW appears to suggest that relations are relatively stable over time for each generation”, but that extensive change can occur even in a shorter timeframe, which in turn may affect the “linkage path” (ibid.) between the family and family system – something they suggest the Berrone et al. (2012) conceptualisation of SEW does not take into account. As noted earlier, and in the context of SEW over time, there would seem to be little research taking an SEW history approach to provide evidence that SEW is (or is not) relatively stable over time. In a similar reflection on the theory behind SEW, Cruz and Arrendondo (2016) suggest the term SEW has become too broad and is forgoing its theoretical origins. In contrast, Newbert and Craig (2017) suggest the present view of SEW is restricted and they note Miller and Le Breton Miller’s (2014) call to extend the view of SEW to include other stakeholders. This view implies a more long-term

perspective on SEW, which is at odds with Hasenzagl et al.'s (2018) comment that SEW (as a representation of the family system) is seen as more static in its present conceptualisation.

The above represents a brief overview of the FIBER conceptualisation of SEW as originally set out by Berrone et al. (2012), and outlines some issues with SEW in general and with their proposals. As mentioned, Hasenzagl et al. (2018) use a problematisation method proposed by Alvesson and Sandberg (2011) to systematically reflect on the theory underlying SEW. The objective of this study as outlined earlier is to examine SEW over a longer historical timeframe using the FIBER dimensions and to explore how the dimensions change over time. Thus, this paper does not set out to reflect on the theory underlying SEW *per se*, but may through the historical approach adopted provide data to question particular assumptions. It is thus less suited to the full utilisation of the methods proposed by Alvesson and Sandberg (2011). However, their work is useful in guiding towards some research propositions from the literature outlined thus far. Alvesson and Sandberg (2011) provide six methodological principles, which are now reflected on in the context of the present study. First, a literature domain needs to be identified to challenge assumptions. In this study, it is the literature on SEW and in particular the lack of historical literature which is a basis for assumption challenging. Second, assumptions need to be identified. In this study, the assumption that SEW is relative stable is of interest, as literature on organisational change would suggest change is always possible (see for example, Dawson, 2003) and intuitively change (of some degree) would be expected over time. Third, the articulated assumption(s) need to be evaluated. As Alvesson and Sandberg (2011) note, empirical data is important here. As we have already noted, there is little longitudinal and/or historical research on SEW (see also later section on family business history). Such research, as is presented here, offers potential to evaluate if SEW (as reflected through the FIBER dimension) is or is not stable. The remaining three assumptions of Alvesson and Sandberg's (2011) method relate to developing alternative assumptions, relating them to the relevant audience and evaluating the alternative assumptions. Given the novel SEW history approach used here, this paper makes an effort through empirical data to develop an alternative assumption and relate it to the family business research audience. Given the novelty of this paper, future researchers will be able to evaluate the work presented here.

As will be revealed later, we utilise a content analysis method to examine documents of two breweries for evidence of SEW through the FIBER dimensions. The breweries share some common traits – both breweries were founded and based in Ireland, were composed of family members from similar backgrounds (originally the landed upper class), primarily manufactured and sold the same product (i.e. stout), were subject to similar economic and industry factors and served the same market (i.e. Ireland). Thus, it could be argued that SEW is stable as implied by Berrone et al. (2012). However, this is an assumption we challenge and suggest SEW over time is not stable. Thus, we offer the following propositions:

Prop 1 – SEW expressed as per the FIBER dimensions will be present

Prop 2 – The expression of SEW as per the FIBER dimensions may differ over time

Prop 3 – The expression of SEW as per the FIBER dimensions, while differing over time, will not have significant differences over time between two family businesses in the same industry, time period and country.

The above propositions refer to the FIBER dimensions as expressed in the Chairman's Statements of a family business, which is detailed in the methods section later. Prop 1 tests the SEW history approach of this paper. Props 2 and 3 are more interesting in terms of the objective of this paper. Prop 2 challenges the assumption that SEW is stable, as suggested by some literature, and the SEW history approach assists in providing empirical data to test this proposition. While Prop 3 conveys a sense of stability, it is suggesting that SEW will change in a similar context. These propositions will be tested by means of a content analysis as mentioned, and we now turn to some prior literature on this topic.

Content Analysis of the Chairman's Statement

With reference to content analysis of documents such as the Chairman's Statement, Jones and Shoemaker (1994, p.143) suggest that content analysis can “identify specific trends, attitudes or content categories from the text and then draw inferences from them”. Given our objective of exploring SEW over time through change in the FIBER dimensions, a content analysis method thus seems appropriate (see methods section later). Such an analysis will allow us to categorise

themes (i.e. each dimension of FIBER), explore changes and trends over time and attempt to draw inferences.

There are some useful examples from the general business and accounting literature on the use of content analysis of publically available documents of companies. For example, there have been many studies of such documents to gauge impression management tactics used by firms – see Merkl-Davies and Brennan (2007) and Brennan, Guillamon-Saorin, and Pierce (2009) for a useful summary. These studies analyse not only formal company documents such as annual reports, but also include media reports and company press releases. Studies using content analysis in the accounting literature have tended to focus on discriminating between good and bad results (see for example Abrahamson & Amir, 1996; Davis, Pigor, & Sedor, 2012; Smith & Taffler, 2000) or on the presence or absence of particular attributes or topics (Kothari, Li, & Short, 2009; Neimark & Tinker, 1986). Corporate social responsibility disclosures have also been the subject of several content analysis studies – see for example Adams, Hill, and Roberts (1998), Unerman (2000) – as well as intellectual capital reporting – see for example Beattie and Thomson (2007), Guthrie, Petty, Yongvanich, and Ricceri (2004).

Some previous studies have specifically utilised the Chairman's Statement or equivalent document, mainly in the accounting literature – see for example, Abrahamson and Amir (1996), Clatworthy and Jones (2006), Smith and Taffler (2000). Moreno and Cámara (2014) undertook a longitudinal analysis of a Spanish brewery and provide a very useful seven-part coding scheme to reflect the content of the Chairman's Statement. Their scheme is useful to observe relative changes in the Chairman's Statement over time – we adopt a similar approach in this study. There are also some content analysis studies in the family business literature. Some examples shown in Table 2 are a result of a search of *Family Business Review* and *Journal of Family Business Strategy*. Interestingly, work by Wright and Kellerman (2013) and Wilson et al. (2014) explores family business research and methods, but does not mention content analysis as a potential method. A more extensive search beyond these journals yielded just one paper related to the family business field, that by Debicki, Matherne, Kellermanns, and Chrisman (2009). From our search efforts, we can only conclude that content analysis is potentially underutilised in family business research.

<i>Study</i>	<i>Subject</i>	<i>Sources used</i>
McKenny, Short, Zachary, and Payne (2011)	Firm performance	Website and press releases
Zachary, McKenny, Short, and Payne (2011)	Market orientation	CEO letters
Short, Payne, Brigham, Lumpkin, and Broberg (2009)	Entrepreneurial orientation	Shareholder letters
Prencipe, Markarian, and Pozza (2008)	Earnings management	Annual report

Table 2 – Examples of content analysis studies of family firms

None of the studies in Table 2 have utilised a content analysis method to explore the dimensions of FIBER, something specifically suggested by Berrone et al. (2012). While they did not suggest the Chairman’s Statement as a potential data source to explore SEW, the literature shown in Table 2 and that described above shows versatility in the use of documents such as the Chairman’s Statement for research purposes. Additionally, prior studies have shown that the Chairman’s Statement is used extensively by investors (Bartlett & Chandler, 1997; Campbell, Moore, & Shrivs, 2006; Smith & Taffler, 1992), which implies it is a source of past and forward-looking information, and has been shown to influence investor decisions making (Abrahamson & Amir, 1996; Kaplan et al., 1990; Staw et al., 1983). Research has also noted it is one of the most widely read sections of the annual report (Curtis, 1986, 2004; Fanelli & Grasselli, 2006; Jones, 1988). From a family business perspective, not all businesses are publically quoted – which typically implies a *de-facto* need to include a Chairman’s Statement in the annual report. At the same time, family businesses are noted as becoming more professional as they grow (Flamholtz & Randle, 2016; Songini, 2006), employing non-family managers for example. This growth can also result in non-family investors (see for example, Klein, 2000; Villalonga, & Amit, 2006). Ultimately, this growth tends to lead to more formalised external reporting requirements in most jurisdictions and thus, we suggest, the Chairman’s Statement (or similar document) is likely to be available to researchers in many instances. Additionally, the Chairman’s Statement in general is likely to contain narrative on general trading conditions, good or exceptional items, contributions of staff, notes on special events and comment on future plans or strategies (Stittle, 2003). All such content could be relative to family matters and/or to components of SEW and/or FIBER dimensions. For example, there is nothing to prevent the Chairman of a family business noting plans for family

succession in the Chairman's Statement (see later). Thus, the Chairman's Statement is deemed a suitable and readily available document which can be utilised to explore many characteristics of family firms, including the elements of FIBER. Indeed, the Chairman's Statement (or similar document) is more suited to research on SEW than for example the legally required documents examined by Gómez-Mejía et al. (2007), as it is more likely to convey opinions of the family – assuming the Chair position is held by a family member. Finally, although the focus is on the use of externally oriented documents such as the Chairman's Statement, our examination of the literature above did not reveal much use of content analysis in general in family business research. The methods we describe later are equally applicable to any document – for example, interview transcripts, internal company magazines/newsletters or web content.

Family business history

As mentioned earlier, this paper is presented as one on SEW history. While we utilise historical records, the paper is not particularly focused on business history methods or approaches. However, historical studies are common in many fields of research. In contrast to business history or accounting history, there are no dedicated academic journals which focus solely on family business history. Having said that, general management journals include some research on family business, which does not utilise theoretical perspectives associated with family business research – see for example, Oldroyd (1999), Robb, Shanahan and Lord (2006). Colli and Fernández Pérez (2013) provide a very useful list of research on business history and family firms. They provide a summary of selected literature spanning a period from about 1950 to 2010. Interestingly, of the 51 items listed, 13 are journal articles with textbooks making up the balance. Of the 13 articles, just two are noted as having a case study approach (i.e. focusing on actual family businesses), namely Kocka (1971) and Scranton (1993). The remaining eleven papers are either comparative or country studies or a literature overview. Although Colli and Fernández Pérez (2013) do not present a comprehensive list, it would seem apparent that family business history studies are to-date less common, and seem to be missing an opportunity to contribute to current research topics.

As outlined in our introduction, this paper takes an SEW history approach to hopefully contribute to the present day debate around SEW and its dimensions. Colli and Fernández Pérez (2013, p.277)

question “do we need a historical approach” to family business research, also asking why is history relevant? A key reason they suggest to adopt an historical approach is that:

the longitudinal perspective [is] useful to interpret many of the features which the present family firms show across the globe, and to contribute to a better conceptualisation of what family businesses are. (ibid.)

Colli (2012) for example takes the above on board as he questions the notion of family business performance. He notes that if a historical approach is taken, then performance is “beyond the measurement of financials” (2012, p.246) and researchers could explore kinds of performance (rather than just performance) – for example, firm survival, sustainability and reputation. The approach taken in this paper is similar in that it is an historical one.

Methods

We now provide some detail of our two cases, followed by the actual methods used. As each of the cases are described, we establish each of their credentials as a family business, as the notion of SEW has been attributed to family businesses in the literature (see above). We first provide some background on each case.

Guinness

In 1759, Arthur Guinness entered into a now famous 9,000-year lease for a site at St. James’s Gate in Dublin. Guinness initially brewed ale and beer, with porter (stout) brewed for the first time in the 1790’s. Most trade in the early years was within Dublin, but from 1801 to 1850 trade increased ten-fold, primarily due to the English market which represented about 60% in value terms (Lynch & Vaizey, 1960). After 1850, trade within Ireland but outside Dublin was the primary growth area, rising from about 20% to 40% of total trade between 1855 and 1880. Revenues in the 1870’s were on average £1 million annually. The business was incorporated as a public company in 1886, and the Board of Directors of the new company (Arthur Guinness & Son Ltd.) consisted of mainly Guinness family members, with two bankers and a solicitor also members of the Board. Sir Edward Guinness was the first Chairman of the company, and also held one-third of the share capital. The

first published accounts of the company from 1887 revealed a profit before tax of £544,985. In the following years, the company expanded by local bottling in countries such as South Africa, Canada, Australia, the United States of America and the West Indies. By 1920, profits before tax and dividends were £3.26 million. In 1936, a brewery was opened in London, at Park Royal. One reason for the new brewery was the ‘Economic War’ between the United Kingdom and the new Irish Free State and annual profits had declined somewhat to £1.83 million (Dennison & MacDonagh, 1998). After World War II, reported profits rose reaching £4.6 million in 1950, and £8.2 million in 1960 (Annual Report and Accounts, 1950, 1960). The late 1950s and into the 1970s was an expansionary period for the company, through acquisition, investment and licensing/contract arrangements. For example, in 1963 a brewery was opened in Nigeria, 1965 in Malaysia, 1970 in Cameroon; while brewing under licence, for example, began in Canada in 1964, Thailand in 1973 and Venezuela in 1974. By 1980, profits had risen to £49.5 million (on a turnover of almost £800 million), of which £40 million was attributed to the Irish and United Kingdom markets (Annual Report and Accounts, 1980). Ten years later in 1990, turnover was in excess of £3.5 billion and profits stood at £847 million (Annual Report and Accounts, 1990). The 1996 annual report notes “the highest ever pre-tax profit” of £975 million, on a turnover of £4.73 billion. This same year also saw the end of the Guinness company, as it merged with Grand Metropolitan to form a new entity called, Diageo plc.

As noted above, from the outset the Guinness family made up a large majority of the Board of Directors and, as shown in Table 3, were also substantial shareholders. Anderson and Reeb (2003) is often cited as a reference point in establishing a business as a family business through ownership or control. The former relates to majority share ownership, the latter to control through the Board of Directors – for example having a family member as Chief Executive Officer (CEO). However, a definition of what constitutes a family business has been subject to debate in the literature. Astrachan, Klein and Smyrnios for example, suggest the literature reveals “three principal ways in which to consider the plethora of definitions: content, purpose, and form” (2002, p.45). They also propose a definition of family business based on three dimensions – power, experience and culture – which together can be used to derive an index of family influence. More recently, Howorth, Rose, Hamilton and Westhead note that there “is no consensus surrounding the definition of a family firm” (2010, p.439) and cite several prior studies which include factors such as how the

CEO views the firm, who owns the majority of voting shares, whether the management team is mainly comprised of family members, and whether ownership has transferred to a second generation. They also suggest, a lack of a common definition “makes comparisons between countries and studies difficult” (2010, p.440). Some of the factors noted by Howorth et al. (2010) overlap with the two factors mentioned by Anderson and Reeb (2003), and we adopt the Anderson and Reeb (2003) definition of a family business here. While it may be a basic definition, the ownership and control factors are encompassed by other more complex and/or complete definitions. More importantly for this study, as a historic one, it is possible to establish ownership and control as envisaged by Anderson and Reeb (2003) from publically available documents.

As can be seen in Tables 3 and 4, which draws on information in the published annual reports and other archival data, family control was prevalent at Guinness – Table 3 shows that both the Chairman and Vice-Chairman positions and several directorships were all held by Guinness family members (names in bold). It should be noted that the Earl of Iveagh is a title inherited in the Guinness family since 1919 and was awarded to direct descendants of Arthur Guinness, the founder. Table 3 shows little change in the Directors of Guinness and while not showing all years, we have established family control of the Board of Directors during the entire analysis period.

1950	1972
<p>Earl of Iveagh, Chairman – title held by direct descendants of Arthur Guinness, Rupert Edward Cecil Guinness in 1950, 2nd Earl of Iveagh</p> <p>Lord Moyne, Vice-Chairman – title held by Jonathan Bryan Guinness, family member</p> <p>Sir Hugh Beaver, Managing Director.</p> <p><i>Assistant Managing Directors</i> J.A. Webster, A.H. Carlyle, C.K. Mill, N.B. Smiley, Sir Charles Harvey</p> <p><i>Directors</i> W.E. Phillips</p> <p>Henry Channon MP – husband of Lady Honor Dorothy Mary Guinness</p> <p>The Marchioness of Dufferin and Ava – granddaughter of 1st Earl of Iveagh</p> <p>A T. Lennox-Boyd MP – husband of Lady Patricia below</p> <p>Lady Patricia Lennox-Boyd – daughter of Earl of Iveagh above Capt. A. Ronald S. Nutting</p>	<p>Earl of Iveagh, Chairman – (Arthur Francis) Benjamin Guinness, 3rd Earl of Iveagh, grandson of Rupert Edward Guinness</p> <p>Lord Moyne, Joint Vice-Chairman – title held by Jonathan Bryan Guinness, family member</p> <p>Viscount Boyd, Joint Vice-Chairman – married to Lady Patricia Lennox Boyd (nee Guinness)</p> <p>R. A. McNeile, Managing Director</p> <p>Dr. A. H. Hughes, Deputy Managing Director</p> <p><i>Executive Directors</i> R Levinge F. P. Clift A.J.R Purssell C. A. Wood A. P. B. Guinness R. T. Kerslake C. E. Guinness</p> <p><i>Directors</i> Dr. F. H. Boland Viscountess Boyd – wife of Viscount Boyd Maureen, Marchioness of Dufferin and Ava – granddaughter of 1st Earl of Iveagh Hon. Jonathan B. Guinness Lady Honor Svejdar – formerly Lady Honor Dorothy Mary Guinness</p>

Table 3 – Board of Directors at Guinness

As can be seen in Table 4, the ordinary share ownership of Guinness does not convey family control, at just under 25% of shares in 1972. The small shareholdings of non-family directors are notable. The value of issued shares was £7.5 million in 1950, as it had been since 1923. In 1952, 1961 and 1964 capitalisation issues increased the share capital to £21m by 1972. Unfortunately, share registers for 1950, while retained by the Company Secretary of Guinness (now Diageo plc), are not accessible to the public. However, it is reasonable to assume family shareholdings were similar throughout the analysis period as capitalisation issues grant shares in proportion to existing

holdings. In summary, as per Table 3, the Guinness family can be deemed in control given their control of the Board, despite not having a controlling share interest (Table 4).

Name	Personal Interest	Other family interest	Other interests	Total	% family
Earl of Iveagh	880,858	1,829,868	4,136,313	6,847,039	8.15%
Lord Moyne	280,942	1,903,692	1,941,717	4,099,351	4.88%
Viscount Boyd	41,038	94,200	158,510	293,748	0.35%
RA McNeile	2,000		2,536	5,536	
Dr AH Hughes	-	-		-	
Sir Richard Levinge	4,024	2,770		6,794	
FP Clift	250			250	
AJR Pursell	-			-	
CA Wood	1,000			1,000	
APB Guinness	3,600	5,000		8,600	0.01%
RT Kerslake	200			200	
CE Guinness	4,184	4,184		8,368	0.01%
Viscountess Boyd	99,485	450	3,606,721	3,706,656	4.41%
Maureen, Marchioness of Dufferin and Ava	60,317	1,008	3,957,403	4,018,728	4.78%
Hon JB Guinness	13,333	493,404		506,737	0.60%
Lady Honor Svejdar	144,868	81,730	969,976	1,196,574	1.42%
RWF Wilberforce	1,200			1,200	
					24.61%

Source: Annual Report and Accounts (1972)

Notes

- 1- total shares in issue were 84 million 25p ordinary shares.
- 2- names in bold are family members.

Table 4 – Shareholdings of Directors at Guinness

Murphy's

James Jeremiah Murphy established a brewery in Cork, Ireland's second largest city, with his four brothers in 1856. The site, called Lady's Well Brewery to the present day, cost in excess of £25,000 to purchase and develop. In comparison to Guinness, the Murphy's operation was smaller, but they too concentrated on brewing and selling stout. For example, as per the respective 1970 annual reports and accounts, Guinness reported a turnover of £137 million from brewing, whereas Murphy's reported just over £1 million. The latter's lower turnover and respective size is primarily explained by its focus on local and national markets in comparison to the national and international focus of Guinness. Murphy's output in 1858 was almost 21,000 barrels, and this had doubled by 1861. By 1883, this had risen to 119,000 barrels at which time profit was £25,843 (O'Drisceoil & O'Drisceoil, 1997). The business was incorporated this year with the share capital divided among the brothers and their family. The first year of incorporation saw a turnover of 122,410 barrels yielding an income of £176,136 and a profit of £32,171 (O'Drisceoil & O'Drisceoil, 1997, p.61). According to O'Drisceoil and O'Drisceoil (1997), trade was good and increasing until the outbreak of the First World War, before declining into the 1940s. A brief increase in business occurred after the Second World War. By 1950, when our analysis begins, sales stood at £368,148 and profits at £88,316. By 1972, a loss of over £100,000 was recorded. The main market for Murphy's stout was Cork city and county, and this expanded nationwide over time – which placed the company in direct competition with Guinness. In 1964, Watney Mann Ltd (a large British brewer) invested £350,000 in the company for a 30% shareholding and appointed a director. By 1967, this had increased to a 51% shareholding, but a direct descendent of the founder – Lt Col John Fitzjames Murphy – remained a member of the Board. By 1972, Watney Mann had divested and James J. Murphy and Co. Ltd. received investment from the Irish government, thereby ensuring that family involvement came to an end. In 1982, the company entered receivership and is now part of the Heineken group. Brewing continues on the site to the present day.

As noted above, the founders of Murphy's were four brothers who initially held all shares in the company – we should mention that at this stage Murphy's was a private limited company and thus less detail was published in their annual report and accounts in comparison to Guinness – but it did include a Chairman's Statement. Either direct Murphy family members or staff from within the brewery were members of the Board of Directors during the entire time of our analysis, and

only in 1972 did they lose control of the Chairman position and the Board. From 1950 to 1972, Lt Col John Fitzjames Murphy was either Chairman or Director, taking the former position in 1958. In 1951, Frank Horgan became the first non-family board member. Horgan also held the position of Head Brewer, making him close to the operational side of the business. In 1958, Michael Warner, the accountant at the brewery took the board seat of Arthur William Murphy in 1958. Thus by 1958, the only Murphy family member on the board was Lt Col John Fitzjames Murphy. However, as noted by O'Drisceoil and O'Drisceoil (1997, p.114), "an opportunity was lost to appoint (as other firms had done) managerial expertise from outside the ranks of the family and company [to bring] new perspectives and badly needed creativity". This suggests brewery staff on the board were likely to concur with decisions of the Chairman. Although only holding the Chairman position within the family from 1958, in terms of shareholdings, the share register for 1950 shows that of the total of 3,000 shares, in excess of 90% were owned by about twenty extended Murphy family members. As noted above, Watney Mann acquired 30% of the firm in 1964, and the share register at this time shows about 60% of the shares were owned by Murphy family members with the balance owned by other Directors. By 1967, share control was lost, but the family still held approximately 40% of the shares and Lt Col John Fitzjames Murphy was still Chairman. In summary, we deem Murphy's as being a family firm during the period of our analysis following Anderson and Reeb (2003) – for the vast majority of the period a majority shareholding was within family ownership, and the Chairman position held by a family member for the entire period.

Content analysis methods used

Having established content analysis as a relatively underutilised but potentially useful avenue for family business research, we now outline the methods used in this study. This paper provides a content analysis of the Chairman's Statement of both Guinness and Murphy's from 1950 to 1972. We should note that the term "Chair" may be more appropriate today due to its neutral gender, we use "Chairman" here as this was the term used at the time of our analysis. It is also important to note that we selected two breweries rather than one, to allow for the possibility of comparative analysis between them. The Chairman's Statement of Guinness was obtained from the Guinness corporate archives in Dublin, with Murphy's obtained from holdings at the University College Cork's Boole library. The time period of this study was selected as the Chairman's Statement for

each of the years between 1950 and 1972 in both breweries is accessible without any breaks, which is preferable to study trends and changes. While this timeframe is less contemporary, it is we propose ample in terms of our research objective. In the case of Guinness, the Chairman's Statement is consistently available from 1948 onwards. Prior to this, there are some Chairman's Statements available but the sequence is not complete. In relation to the end point of our study, when Watney Mann Ltd.'s shareholding in Murphy's was eventually divested of in 1972, it forced Murphy's to request the Irish Government to intervene to safeguard their future. When their request was approved, it ultimately resulted in a loss of control by the Murphy family, as their representation on the board ceased. Additionally, as there were changes occurring in the brewing sector in Ireland and the United Kingdom during the time of our analysis (see Gourvish & Wilson, 1994; Moreno & Quinn, 2018), our study may reveal the effects of some of these changes on the running of these family firms. Thus, for this study, 46 Chairman's Statements were analysed (i.e. 23 for each brewery) for the period between 1950 and 1972.

The Chairman's Statement is purported to be one of the most commonly read elements of an annual report (Bartlett & Chandler, 1997; Fanelli & Grasselli, 2006). It is effectively a summation of the entire contents of the annual report and a summary of business activities (Balata & Breton, 2005). Thus, it represents an excellent means to perform a content analysis to test for the presence of each of the FIBER dimensions, as argued earlier. Content analysis is a useful approach to allow researchers to identify trends and how similar items are treated in a different manner over a particular period of time (Berelson, 1971). Weber (1985) describes eight stages to be followed to engage successfully in content analysis; 1) define the recording unit; 2) define the categories; 3) test coding of a sample of text; 4) assess accuracy or reliability; 5) revise coding rules; 6) return to step 3 if necessary; 7) code the entire text; and finally 8) assess achieved reliability or accuracy. We adhered to each of these stages. Following the lead set by Krippendorff (1980), the sampling unit used here is the Chairman's Statement, and the unit of analysis is an individual paragraph (Karlinsky, 1981; Moreno & Cámara, 2014). Specific software packages are often used by researchers when the recording unit is word based (Davis et al., 2012; Frazier, Ingram, & Tennyson, 1984). However, when dealing with topics, paragraphs, sentences or whole documents (Cormier, Magnan, & Van Velthoven, 2005; Noble, Rajiv, & Kumar, 2002; Wallace, Rich, Solomon, & Cherry, 1992), manual coding is the preferred approach (see for example, Moreno & Cámara, 2014). We should note the Chairman of Guinness during the period of our study was as

follows – 1950-1961 Rupert Edward Cecil Guinness (2nd Earl of Iveagh); 1962-1972 Arthur Francis Benjamin Guinness (grandson of the former; who was from 1962-1966 Viscount Elveden and from 1967-1972 3rd Earl of Iveagh). As noted earlier, Lt Col John Fitzjames Murphy was Chairman of Murphy's from 1958 to the end of the period. Arthur William Murphy, a direct descendent of one of the founding brothers was Chairman from 1950 to 1958. This relative stability of Chairman in both companies, who were also family members, helps our analysis as it leaves less potential differences in views and language over time.

To construct a categorisation system to code each paragraph, content analysis studies typically draw on extant literature (see for example, Adams et al., 1998; Beattie & Thomson, 2007; Moreno & Cámara, 2014). This study similarly starts with extant literature, namely the five FIBER dimensions proposed by Berrone et al. (2012) and, thus, this study is adopting a deductive content analysis approach. The Berrone et al. (2012) FIBER dimensions are supported by extant literature and we draw on them to inform our coding scheme, even though there has been some critique of SEW as outlined earlier. It is hoped this coding scheme will assist the on-going study of SEW and the FIBER dimensions, adding to work done using other research methods – for example, Hauck et al. (2016). We should be clear that although our longitudinal content analysis (see later) is coded based on the five FIBER dimensions as presented by Berrone et al. (2012), and is thus deductive, it is not an objective of our paper to measure SEW or measure the FIBER dimensions (see Hauck et al., 2016 for an extensive review of studies measuring SEW), or to necessarily engage in a re-writing of what SEW or FIBER are – but see the propositions earlier. Despite the more recent critique of SEW as proposed by Gómez-Mejía et al. (2007), the grounding is sufficiently solid in our view to draw on for a content analysis coding scheme. Additionally, as a content analysis method appears relatively under-used in family business research, a deductive approach is potentially more appropriate.

The following coding procedures and rules were adopted. Each paragraph in all Chairman's Statements was coded from 1 to 5 in accordance with the FIBER dimensions proposed by Berrone et al. (2012) – see Appendix 1. Relative frequency was the counting unit. However, if a particular paragraph referred to more than one dimension, it was assigned multiple codes (of equal weight) reflecting each of the FIBER dimensions it referred to. As the entire Chairman's Statement was

coded, any paragraph that could not be aligned to any of the five FIBER dimensions was coded as 0 – such paragraphs are excluded from our results and discussion. Photographs and graphics are also excluded from the analysis – in the case of Murphy’s none were present, in Guinness there were some, but their presence was limited. To ensure consistency of coding, two of the authors independently test coded five Chairman’s Statements for both breweries for the same years. The results were then analysed and any differences in coding which emerged were discussed, before deciding on the most appropriate means of coding. An issue arose at this stage regarding the “I” dimension. Berrone et al. (2012, p.262) note “identity of a family firm’s owner is inextricably tied to the organization that usually carries the family’s name”, and as can be seen in Appendix 1 we interpret this to include reference to family name in the product name – such mentions are coded as category “I”. It should be acknowledged this may be something more common in the drinks sector as brewers and distillers tend to use family heritage to market products – for example Mitenbuler (2015) notes how many bourbon brands have fictitious heritages, often associated with persons or families. Some additional discussion of this issue is given later. Following a second round of independently conducted test coding (by the same two authors) using a sample of five different years, the subsequent results were analysed and found to be highly correlated (92%), thereby providing considerable reassurance and comfort as to the reliability and robustness of the coding process. As the test coding progressed, a small number of new elements were added to three of the FIBER dimensions due to their regularity of occurrence. For example, within the “I” dimension, reference to “family bereavement” was included within this particular categorisation. Appendix 1 outlines the final coding scheme, incorporating the additional elements added as the coding scheme was tested (shown in italics). All 46 Chairman’s Statements between 1950 and 1972 were then coded for both breweries, with one researcher coding each brewery.

Findings

The findings of our content analysis are now detailed. As noted in the methods section, each paragraph of every Chairman’s Statement for both Guinness and Murphy’s between 1950 and 1972 was coded. On average, the length of the Chairman’s Statement was 2-3 pages each year. Examples of paragraphs and their respective coding can be seen in Appendices 2 to 6. We begin

with descriptive results, and follow this with statistical testing of the three propositions outlined earlier.

Table 5 presents an analysis of the total number of paragraphs coded. The number of paragraphs (those with and without the FIBER dimensions of SEW) of the Chairman’s Statement is higher in Guinness than Murphy’s, most likely as the former is a significantly larger company and addresses more issues and business sectors; Guinness represents 60% of the total paragraphs analysed (i.e. 523 out of 878) and Murphy’s the remaining 40% (i.e. 355 out of 878). The relative presence of the total FIBER dimensions as a whole is higher in Guinness (48%) than in Murphy’s (34%). Thus, with this presence, the expression of SEW (through FIBER) is apparent in the Chairman’s Statement, which supports Prop 1. Indeed, there was no year in either case where we did not code some paragraphs as containing some elements of FIBER. Thus our SEW history approach appears to be a workable research approach. With respect to the number of FIBER dimensions mentioned in each paragraph, the vast majority referred to a single dimension. The results also reveal Guinness had a slightly higher number of multiple FIBER dimensions in each paragraph, likely again reflecting their scale and complexity relative to Murphy’s. While Table 5 shows the total paragraphs coded, including paragraphs which have no FIBER dimensions, Table 6 shows the number of paragraphs coded by each FIBER dimension in relative terms over the total FIBER paragraphs.

	Guinness		Murphy’s		Total	
	n	%	n	%	n	%
Total number of paragraphs	523	100	355	100	878	100
Paragraphs with no FIBER dimension (coded as 0)	270	52	235	66	505	58
Paragraphs with 1 dimension	226	43	110	31	336	38
Paragraphs with 2 dimensions	26	5	10	3	36	4
Paragraphs with 3 dimensions	1	0	0	0	1	0

Table 5 – Detail of paragraphs coded

	Guinness (%)	Murphy's (%)
F	3.05	3.75
I	48.18	12.52
B	45.51	75.81
E	2.08	6.83
R	1.18	1.09

Table 6 – Detail of each FIBER dimension (in relative terms over the total FIBER)

The evolution of the content of the Chairman’s Statement devoted to the FIBER dimensions as a whole in the two companies is shown in Figure 1. The presence of the total FIBER dimensions as a whole is higher in Guinness than Murphy’s virtually throughout the entire period. Figures 2 and 3 show the evolution of the relative presence of each FIBER dimension during the study period – Figure 2 shows the percentage of paragraphs coded for each FIBER dimension for Guinness and Figure 3 similarly shows Murphy’s. Visually comparing Figures 2 and 3, each FIBER dimension seems more stable over time at Guinness. Two particular dimensions appear to dominate at Guinness during the analysis period, the “I” dimension and “B” dimension. A third dimension, “F”, appears sporadically at low levels throughout the review period. Instances of the remaining two dimensions “E” and “R” were both present during the 1950’s, but barely feature after this time. For Murphy’s (Figure 3), the result is less stable than that shown for Guinness (Figure 2). The occurrence of the “B” dimension increases throughout the analysis period before virtually dominating from 1957 onwards. The second most prominent dimension is “I” which is recorded regularly and prominently in earlier years, before tailing off in later years. The “R” dimension is only present in the Chairman’s Statement between 1950 and 1952. The remaining two dimensions, “E” and “F” are recorded infrequently. The data shown in Table 5 supports the visual depictions in Figures 2 and 3. Thus, taking Figures 1, 2 and 3 together, although there is relative stability in some dimensions, it is clear that the FIBER dimensions of SEW as conveyed through the Chairman’s Statement do differ over time. Thus, Prop 2 appears valid and acceptable and this will be discussed in more detail later.

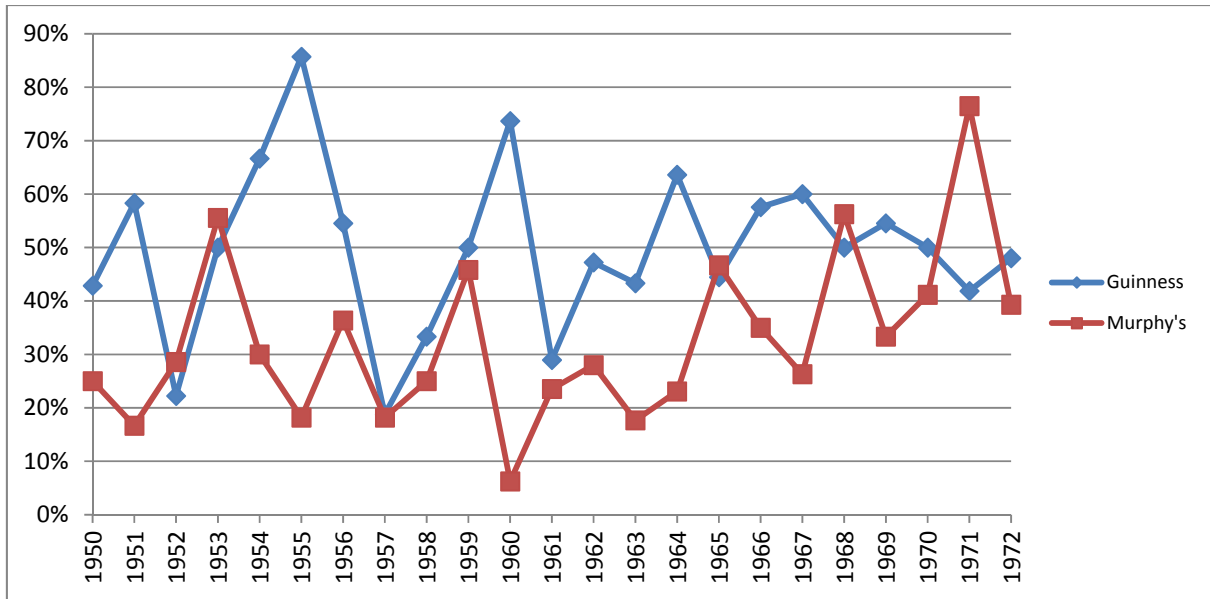


Figure 1 – Evolution of the paragraphs devoted to the FIBER dimensions

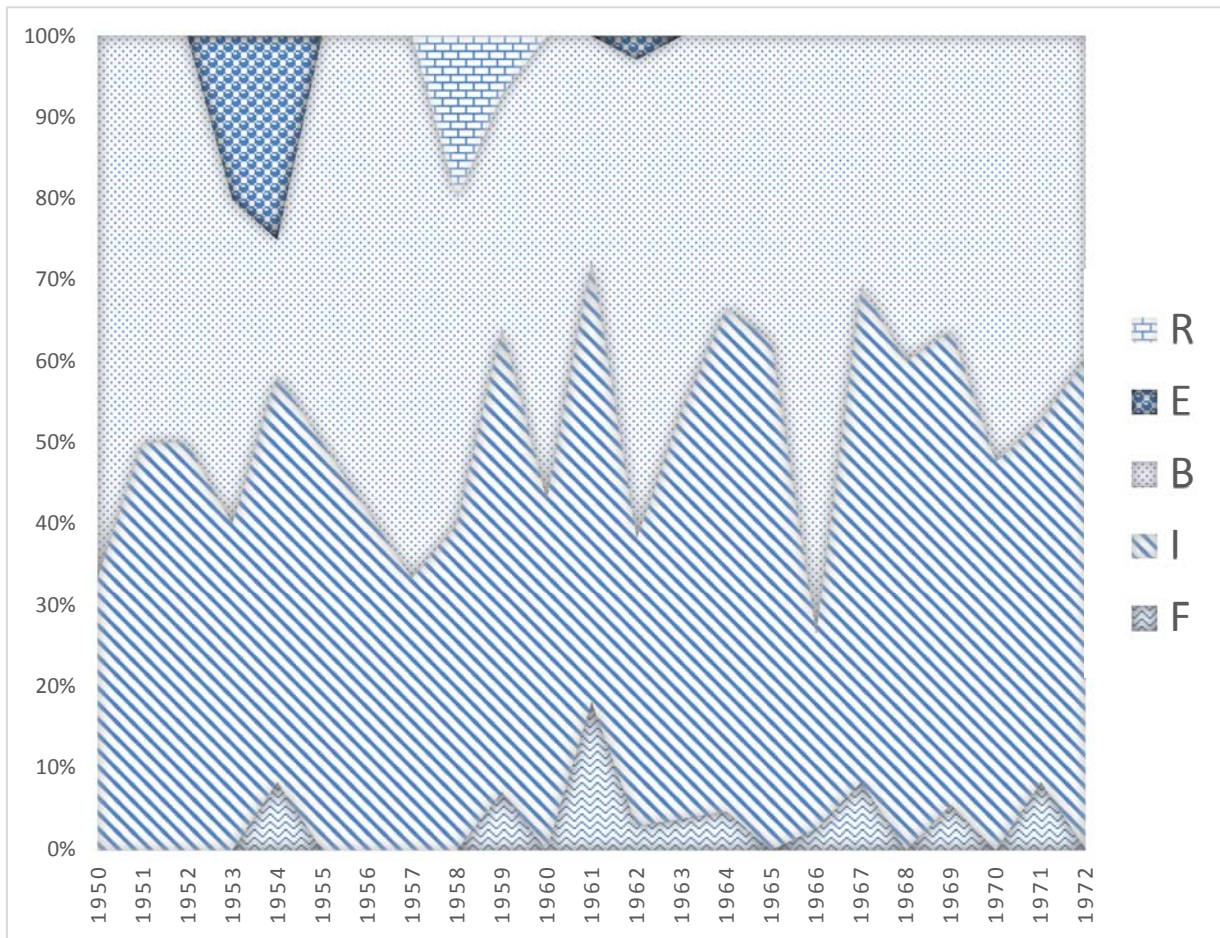


Figure 2 – Relative evolution of each FIBER dimension at Guinness

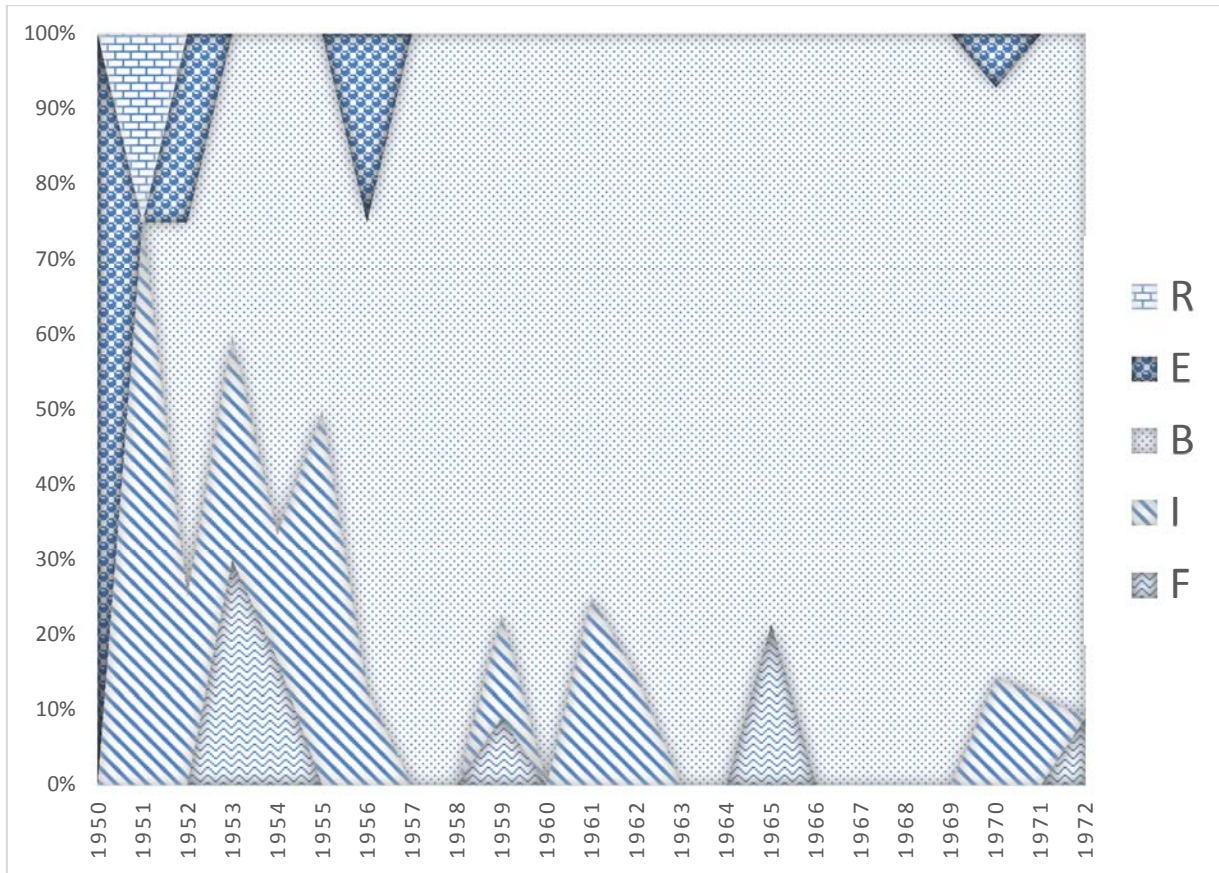


Figure 3 – Relative evolution of each FIBER dimension at Murphy’s

Having noted some differences in the FIBER dimensions over time, we now turn to Prop 3. We proposed there will be no significant differences in the dimensions between two family businesses in the same industry, time period and country. While Figures 2 and 3 do show a visual difference, to test Prop 3 we conducted the (non-parametric) Mann-Whitney test, as the coded data did not meet the requirements needed for both normality and homoscedasticity. The test was run on 1) the total amount devoted to the FIBER dimensions as a whole and 2) each FIBER dimension over the total FIBER dimensions. The results are depicted in Tables 7 and 8. They show that the total amount devoted to the FIBER dimensions as a whole between Guinness and Murphy’s is significantly different (Table 6), as evidenced visually in Figure 1. The analysis of each FIBER dimension also shows that two of them, “I” and “B”, are significantly different between both companies. There are no significant differences in the remaining FIBER dimensions (Table 8). Consequently, Prop 3 has only partial support from the data.

	Total
Mann-Whitney U	106.500
Wilcoxon W	382.500
Z	-3.473
Asymp. sig. (2-tailed)	0.001

Bold figures represent significant differences at the 5% level

Table 7 – Mann-Whitney test for the total amount devoted to the FIBER dimensions as a whole between Guinness and Murphy’s

	F	I	B	E	R
Mann-Whitney U	229.000	38.500	81.500	250.000	254.000
Wilcoxon W	505.000	314.500	357.500	526.000	530.000
Z	-0.936	-5.016	-4.040	-0.510	-0.539
Asymp. sig. (2-tailed)	0.349	0.000	0.000	0.610	0.590

Bold figures represent significant differences at the 5% level

Table 8 – Mann-Whitney test for each FIBER dimension over the total FIBER dimensions between Guinness and Murphy’s

Based on the results of the Mann-Whitney test, along with Figures 2 and 3, it is clear that the “T” dimension is more apparent in Guinness and the “B” dimension is more apparent in Murphy’s. We discuss this, our three propositions and other items revealed by the content analysis below.

Discussion and concluding comments

As mentioned, research in the family business sphere has used a variety of methodological approaches from other traditions, many of whom were criticised as being overly descriptive (Berrone et al., 2012). Hence, such approaches may not be particularly suitable for family business research. However, as research in this area has evolved, a number of more appropriate methodological approaches have been developed and used. Here, we utilised the five dimensions of SEW proposed by Berrone et al. (2012), cognisant of some critique of it, and sought to gather evidence of these dimensions in the context of two family owned/controlled breweries. Our

method drew on the elements of FIBER put forward Berrone et al. (2012) to develop a coding scheme to conduct a content analysis of the Chairman's Statement. As noted in our methods section, we made some minor modifications to the coding scheme as the analysis progressed, based on the content of the Chairman's Statements. We offered three propositions, and only one of them (Prop 3) is not fully accepted as the content devoted to the FIBER dimensions is significantly different from Guinness to Murphy's – see Tables 7 and 8 and Figures 2 and 3. The relative presence of the "I" dimension was found as higher in Guinness than Murphy's and the "B" dimension was found as higher in Murphy's than Guinness. In the other three dimensions, the two breweries are relatively comparable. We will offer some reasons why this may be so below. First, we reflect on our objective and what the findings and our methods imply in general for the study of SEW.

Reflecting on Prop 1, as we have found evidence of SEW in historical Chairman's Statements, this is positive for future similar research which may adopt a SEW history approach. Through this study and method, we have found empirical evidence over a long timeframe of the FIBER dimensions of SEW. While we do not wish to overstate this point given the critique of SEW, we can at least propose from our work that research of documents such as a Chairman's Statement may be useful to further our understanding of SEW. Reflecting on our objective – to explore SEW over a longer historical timeframe, and if and how its dimensions change over time – we have accepted Prop 2 above. That is, we provide some evidence that SEW (as a reflection of the underlying family relations) is potentially not a stable concept – see Figures 1, 2 and 3 and accompanying Tables. As already mentioned, Hasenzagl et al. (2018) call into question the apparent contradictory empirical evidence as presented in the argumentation on SEW and FIBER by Berrone et al. (2012), one of which is an implication that SEW is stable. They also suggest "conceiving of SEW in the form of the FIBER dimensions is difficult to justify, because doing so seems to stem from a purely pragmatic empirical-inductive approach as its rationale is derived from literature" (2018, p.210). While this may be so, our SEW history approach finds empirical evidence of each of the FIBER dimensions. This lends support to these dimensions as a conception of SEW (see Prop 1), but it should be recalled that although we utilised the FIBER dimensions for our coding scheme and found evidence of each dimension, we did have to add elements to the coding scheme as we progressed (see Appendix 1). This suggests that SEW is context dependent

(see below), something which Berrone et al. (2012) do not discuss in great detail. However, this issue has been noted by more recent research – see for example Chua, Chrisman, and De Massis (2015).

As per our findings earlier, we could not fully accept Prop 3 due to significant differences on the “I” and “B” dimensions. From Appendix 1, the elements of the “I” dimension in our coding refer to family in product name, family in daily operational terms, family history and family bereavement. Table 6 revealed our coding of the Chairman’s Statement at Guinness has 48% of the total paragraphs coded as the “I” dimension. This is compared to 13% at Murphy’s. Examining the detail of paragraphs coded as “I” (see some examples in Appendix 3) reveals the primary reason at Guinness is their use of the family name as a reference to their main product much more frequently than Murphy’s – even though both firms’ main products carried the family name (even to the present day). Taking the 1960 Guinness Chairman’s Statement as an example, 43% of the paragraphs coded with some FIBER dimension are representative of the “I” dimension. The Murphy’s equivalent is 0%. Some quotes from the 1960 Guinness Chairman’s Statement are as follows (italicised text highlights the family name as a brand) – see Appendix 3 for more examples:

“I am glad to say that it is to sales of *Guinness* that the improvement in this year’s accounts is due”

“in fact it is our experience that *Guinness* itself is now drunk in a far wider class range than ever before”

“But I do not doubt that the *Guinness* team will solve these problems as they have so many others in the past”

The first quote above is worthy of some discussion. Such a comment was typically made by the Guinness Chairman each year. Arguably, these comments are reflective of economic issues (i.e. increasing sales, and thus economic wealth of the firm) and could be excluded from our analysis. However, we coded them as an “I” dimension for several reasons. First, it is reasonable to assert that any such statements could be made without the inclusion of the family name/product name. Thus, the Chairman as a Guinness family member and direct descendant of the founder Arthur Guinness, is inextricably linked to the business and family, with the family name deeply embedded within the product name. This, we suggest fits the broad definition of SEW as outlined earlier, and

is we would suggest an extension of the self (Hauck et al., 2016). Second, leading from the first point, we could pose the question does the family name when used with reference to products have an economic value, and thus not a component of SEW? From an accounting perspective, the answer to this is not necessarily a value. Under accounting regulations, brands are only valued if purchased – for example, the 2017 Annual Report of Diageo plc (now controlling the Guinness brand) has brands valued in excess of £8.2 billion, but no value is attached to the Guinness brand itself. As it, (and the Murphy’s brand) were internally generated, they have no economic value within the financial statements, and any value is only realised on the sale of the company (and its brands). There is of course an argument that the use of the family name as depicted above is increasing economic wealth, through increasing sales – but this could be done without express mention of the family name. The Murphy’s family name – embodied in the product/brand “Murphy’s Stout” – is scarcely mentioned in the Chairman’s Statement throughout the entire analysis period. We can speculate that as Guinness had a higher degree of sales outside Ireland in comparison to Murphy’s, it had a stronger marketing function to maintain and promote a brand image – which included the inextricably linked family name. Murphy’s, being a smaller and non-quoted company with more localised sales may not have had such an extensive marketing function. As noted above, Guinness seemed to have a deeper association of the family and product name which need not have been stated in this fashion in the Chairman’s Statement. Our interpretation here of the “I” dimension suggests this component of SEW could be construed as a (non-economic) asset (see Naldi et al., 2013), as it can be used by family firms to maintain and influence financial performance. Our interpretation also provides a potential finer grained component of SEW, family name in brands, which may be useful in further development and future research around SEW.

On the “B” dimension, from Appendix 1, the elements of this dimension adopted in our coding are family donations/sponsorship/social activities, reference to non-family manager/employee awards/recognition/retirements/bereavements, reference to long-standing supplier relationships/business allies, and finally reference to business partners (tied houses/license brewing). Turning to Table 6, our coding reveals the Chairman’s Statement at Guinness has 46% of the total FIBER paragraphs coded as the “B” dimension compared to the 76% at Murphy’s – see Appendix 4 for some examples. An examination of these paragraphs reveals that the primary reasons for the larger number of “B” paragraphs at Murphy’s is first, they (unlike Guinness) had

tied houses and referred often to their performance and on-going expansion; and second, managers of two local bottling plants (Kilmallock and Bandon) were referred to very frequently in the Chairman's Statement. Some examples are:

“This year, we are planning to build a new house on the Curraheen Road at Bishopstown. This is a rapidly developing area and we have bought a good site (1961, reference to tied-houses)”

“Our branch at Kilmallock continues to show very satisfactory results under the continued and very able management of Mr John Quinlan (1955, reference to local bottling plant non-family manager)”

Based on differences in the “I” and “B” dimensions as exemplified above, Prop 3 is only partially valid. From the examples discussed, it is also apparent that organisational context is relevant to SEW as revealed by the study data. Thus, taking Prop 2 and 3 together, the content analysis data presented here suggests that not only is SEW not stable over time, it is not necessarily stable across similar family businesses due to contextual factors. Prop 2 in particular challenges an implied assumption of Berrone et al. (2012), and following Alevsson and Sandbergs (2011), the alternative assumption presented here needs to be evaluated further through more longitudinal and/or historical research.

We can also link the issue of context as brought out in our discussion of Prop 3 to the work of Hauck et al. (2016). They suggested the “R”, “E” and “I” components of SEW are “a short form of FIBER focusing on the affective core of SEW” (ibid., p.143). This study supports Hauck et al. (2016) in that the “I” dimension is prevalent in the Chairman's Statement, but is contradictory in terms of the “B” dimension also being quite prevalent. Allowing for the fact that this study consists of two cases as opposed to a larger sample used by Hauck et al. (2016), and for our argument on branding in the “I” dimension (see earlier), this study reveals context is an issue in the assessment of SEW, as suggested by Chua et al. (2015) and Naldi et al. (2013) for example. In our cases, the context of the brewing sector, the two respective families, business size, location, time, the economic climate, and market factors are all potentially at play in affecting how the family does business and, thus, how SEW is maintained, realised and ultimately conveyed through documents such as the Chairman's Statement. For example, for beers or other alcoholic products to carry the

family name as a product name is not unusual, and as we have seen, it does influence the results of this study.

As a more general point on SEW and FIBER in particular, our adapting of the coding scheme may be reflective of the fact that, as Cruz and Arredondo (2016, p.234) put it, SEW is being utilised as more of an umbrella term, and is incorrectly used to account “for the non-economic utilities of family owners”. While this may be so, and Cruz and Arredondo (2016) and others such as Hasenzagl et al. (2018), Chua et al. (2015) and Miller and Le Breton-Miller (2014) have called for a more fine-grained understanding of the components of SEW, our SEW history approach suggests there may be a paradox therein. This paper using a content analysis, did not find any SEW themed issues in the Chairman’s Statement which we could not classify using the FIBER dimensions. However, at the same time, we had to adapt our coding scheme, and this would likely also happen in another study in another sector. This presents family business research on SEW with a problem, or perhaps more correctly a question – should we continue to seek out more fine-grained components of SEW (using FIBER or some other classification), or should we accept SEW as a broader concept (with some theoretical refining still required)? Given our SEW history approach and the lack of studies on SEW over longer time periods, we would suggest more fine-grained empirical studies are still needed, which over time may allow us to pin down SEW as a broad concept. Having said that, more empirical studies which focus on the assumptions underlying SEW and FIBER are also required to reinforce or question such assumptions.

To sum up, our objective in this paper has been to introduce more historical analysis into the debate on SEW. It represents, we hope, the beginning of a journey to more historical records and to more studies on SEW which may help confirm, develop or question the assumptions of SEW. Examples of further studies may include an extended time series analysis of a firm (or firms) to gauge the evolution of the FIBER (or other) dimensions; or using the results of content analysis to study the effects of external events on firms; or comparisons within and between business sectors; or more in-depth use of content analysis, for example using a more fine-grained unit of analysis such as sentences or words. Over time, with sufficient content analysis studies of corporate disclosures such as the Chairman’s Statement, an improved picture of SEW may emerge and its assumptions confirmed or challenged. This is not to say other forms of studies on SEW are not required, but we

suggest SEW history, using content analysis or other methods, as a useful way to build our knowledge of the elements and assumptions of SEW.

This study does have some limitations. Firstly, using the coding scheme we developed to conduct the content analysis inevitably results in the possibility of subjectivity. Hence, the results may be somewhat compromised. However, we mitigated this risk by dual-coding a number of Chairman's Statements initially until satisfied with the consistency of the outcomes. Second, it could be argued that 23 years of Chairman's Statements is insufficient, as other studies have used a longer time period. Third, the results from this study do not offer detailed insights into what was occurring in both Guinness and Murphy's during the time period. While this was not the purpose of this research, future studies may wish to consider using content analysis as a starting point to identify interesting or contextual events that could be explored further using another method and/or theoretical approach. Fourth, the information contained in the Chairman's Statement was our source document and prior research has warned of the limitations of using such subjective accounting narratives as they can potentially be used to portray an overly optimistic or pessimistic outlook as required (Brennan & Merkl-Davies, 2013). Despite this, we note that they are widely used in academic research and are, importantly, easily accessible to researchers. Indeed, the availability of contemporary Chairman's Statements is likely to be wider than the historic records we utilise here. Fifth, this study and its associated method only explores arguably one assumption underlying the extant SEW literature, that of its suggested stable nature. Further similar studies of other assumptions would be useful – for example, some of the research questions generated by Hasenzagl et al. (2018) could be approached from a SEW history perspective. A final limitation is of course that of generalisation. This study relates to one sector and one context, and thus the results are not generalisable. However, it is one of the first studies to undertake a content analysis around dimensions of SEW and thus, we cannot expect to offer such generalisations regardless. Only more future research in a similar vein can provide a more general view of SEW – through the FIBER or other dimensions – over time, and thus contribute to our understanding of it.

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Appendices

Appendix 1 - FIBER Coding Scheme

FIBER Dimension	Elements
<u>F</u> amily Control and Influence (“F”)	<ul style="list-style-type: none"> • Reference to family member making decisions • References to family appointment/resignation from Board • References to share issues to family/non-family • References to appointments/resignations to managerial positions for family
<u>I</u> dentification of Family Members with the Firm (“I”)	<ul style="list-style-type: none"> • Reference to family name in product name e.g. “Murphy’s Extra Stout”, “Guinness” • Reference to family in daily operational terms • Reference to family history • <i>Family bereavement</i>
<u>B</u> inding Social Ties (“B”)	<ul style="list-style-type: none"> • Family donations, sponsorship, reference to social activities involving family • Reference to non-family manager/employee awards/recognition, <i>retirements, bereavements.</i> • Reference to long-standing supplier relationships, <i>business allies</i> • Reference to business partners (e.g. tied houses, license brewing)
<u>E</u> motional Attachment of Family Members (“E”)	<ul style="list-style-type: none"> • Use of emotive language against competitors/threats • References to family in decision-making alternatives e.g. over economic considerations • References to superiority of family brand/methods
<u>R</u> enewal of Family Bonds Through Dynastic Succession (“R”)	<ul style="list-style-type: none"> • Reference to business transfer to the next generation • <i>Reference to transfer of Board membership to family members</i>

Appendix 2 – Example extracts from Chairman’s Statements – “F” Dimension

Note: bold typeface indicates the words guiding code selection.

Guinness	Murphy’s
<p>I am glad to feel that I have beside me another of my family to help me in these years in the person of my eldest daughter (1954).</p> <p>[On retirement of Lord Iveagh as Chairman, but retaining influence] We are very happy that his experience will still be available to us through his continued membership of the Board (1962)</p> <p>The Boards of the two main brewing subsidiaries have been strengthened by the appointment of Mr. A. P. B. Guinness (1963)</p> <p>Mr. C. E. Guinness was appointed to the Board of the Parent Company in July and became Chairman of Harp Lager Ltd. in succession to Mr. Marks (1971)</p>	<p>The second and what might easily have proved a most upsetting event, was the call made on the Shareholders to purchase a large number of the shares of the late Major James E. Murphy to enable payment to be made by his Executors of the heavy Estate Duties charged on assets left by him (1953).</p> <p>The principal point referred to last year was the force sale of shares left by Major James Murphy (1954)</p>

Appendix 3 – Example extracts from Chairman’s Statements – ‘T’ Dimension

Note: bold typeface indicates the words guiding code selection.

Guinness	Murphy’s
<p>There are after all four parties concerned in the perfect Guinness: we who brew it, the many hundreds of bottlers, the tens of thousands who serve it, and the millions who ask for it (1951).</p> <p>As I explained last year we are a minority shareholder in New York; apart from our equity interest we receive a royalty on Guinness brewed and sold in U.S.A (1953).</p> <p>There is a growing appreciation of draught Guinness in Great Britain, but its distribution is limited by difficulties in securing and providing the facilities for serving it (1957).</p> <p>The Guinness Book of Records continues to enjoy enormous popularity. The 12th United Kingdom edition has just been published and was completely sold out before publication (1965).</p> <p>To say that Guinness is unique is to risk a truism, but unique is surely no less than the truth. We can look back over 200 years during which Guinness's stout has steadily but surely increased its circle of loyal friends (1972)</p>	<p>Before dealing with the Report proper, it is with deepest regret that I must refer to the death of Charles Eustace Murphy (1951)</p> <p>Before beginning our report proper for the year 1952, it is with the greatest regret that I must refer briefly to the deaths of our Chairman Mr Albert St. J Murphy and our co-Director Major James E. Murphy (1952)</p> <p>[With reference to Louis Murphy, son of one of the original founders] Louis, who died in October, used to work in his younger days in the laboratory (1961)</p> <p>[With reference to Chairman (family member) being involved in decisions] Some of the directors, including myself, had good reasons for believing the Government might be interested in financing the Company for reasons of maintaining employment (1970).</p>

Appendix 4 – Example extracts from Chairman’s Statements – “B” Dimension

Note: bold typeface indicates the words guiding code selection.

Guinness	Murphy’s
<p>I am glad to think that we have such a large number of loyal allies in our efforts; there are over 10,000 firms that bottle and distribute our product and there are throughout the world something like 250,000 retail outlets to supply the discerning person with his Guinness (1950).</p> <p>At the end of another successful year, I know that you would wish to pay tribute to the Staff and Labour in both countries (1953).</p> <p>Finally, I must mention with sadness the death of Mrs. Case, the widow of Mr. T. B. Case, for many years Managing Director, and under whom the Park Royal Brewery was built. Her death closes a long connection with the Company (1957).</p> <p>[Referring to Sir Hugh Beaver, the Managing Director of the Company, non-family]. The Brewing Industry as a whole has also greatly benefited by Sir Hugh's services, and the peoples of Great Britain and of Ireland owe much to his manifold activities in the fields of Industry, Education, Science and the Arts. We say farewell to him with the deepest possible regret and with infinite gratitude for all he has done for Guinness in steering our fortunes through very difficult years (1960)</p> <p>[On retirements of staff] This year there have been a number of Senior Executives in this position to whom I would wish to refer especially, notably, Mr. J. A. Armitstead, Chief Accountant, Parent Company, who had 22 years' service, Mr. H. V. Catterson-Smith, Financial Controller, Park Royal Company, Mr. A. B. Coulson, Deputy Chief Accountant, Dublin Company, and Mr. H. E. Stratford, Regional Manager at Newcastle, all of whom had over 40 years' service (1970).</p>	<p>[With reference to centenary celebrations] Another pleasing feature was the many letters of goodwill and expression of congratulations from many sources, not only local but from various parts of Ireland (1955)</p> <p>[With reference to the introduction of a dispenser for stout in tied houses] The publicans in particular welcomed this, as it made their work much easier (1965).</p> <p>[With reference to tied-houses and their place in the community] With all the capital expenditure on plant and equipment, we would have preferred to avoid major house improvements. An old house on the outskirts of Gurrabraher became vacant and we felt we had to carry out major modernisation on it. It has done excellent trade since it re-opened. The public now tend to patronise more and more the better houses and bypass older ones with less comfortable amenities (1966).</p>

Appendix 5 – Example extracts from Chairman’s Statements – “E” Dimension

Note: bold typeface indicates the words guiding code selection.

Guinness	Murphy’s
<p>[Referring to the year’s performance] I think that we have justified once more our claim that Guinness is Good for you (1954).</p> <p>From the 1st January, 1954 the Dublin Brewery is brewing once again of its own birth-right (1955).</p>	<p>[Chairman, a family member, reflecting on his many years of experience] I am afraid I have again been guilty of my annual crime of pessimism and can only repeat what I say every year – that I will be only too pleased if I am proved wrong, but the experiences of a long life have fully proved to me that a little pessimism is indefinitely to be preferred to unfounded optimism and the resultant jar of feeling of having being deceived by the management of the company (1956).</p> <p>[With reference to the takeover of another local brewery] We do not welcome of such a large and wealthy concern to Cork (1962)</p>

Appendix 6 – Example extracts from Chairman’s Statements – “R” Dimension

Note: bold typeface indicates the words guiding code selection.

Guinness	Murphy’s
<p>And so another year ends, and in the last days of December the Company enters into the 200th year of its existence, having been founded by my great-great-grandfather in 1759. It is a great joy to me and an indication of our vitality that this year I have been joined on the Board by my Grandson (1958)</p> <p>I think that over the years, both in my father's life and during my time, we have been fortunate in our management; and I was therefore very glad and very grateful when my son-in-law, Mr. Alan Lennox-Boyd, acceded to my request that he should in due course take over the management of our Company (1959)</p>	<p>[On the death of Charles E. Murphy] On the death of his father in 1897 he became in fact, if not in name, the virtual Managing Director of the firm, and for well over sixty year’s exercises what I may call a benevolent dictatorship over the affairs of the Lady’s Well brewery, and left it in its present strong position, not only financially, but with the goodwill and respect of all both inside and outside the premises (1951).</p>