Chapter 39

Leadership and Religion in Family Business:
A Closer Look Through Christianity

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ABSTRACT

This chapter focuses on how and why entrepreneurial leadership in family businesses may be influenced by Christianity. This chapter is motivated by the need to understand further the influence that entrepreneurial leadership entails in the context of the most predominant business form around the world: family business. To contribute to understanding, this chapter offers a model to understand the nature of entrepreneurial leadership in family business influenced by the values and beliefs embedded in Christianity.

INTRODUCTION

This chapter focuses on entrepreneurial leadership and religion in the family business context. Most businesses around the world are family businesses (The Economist, 2015; IFERA, 2003). Religion is a pervasive aspect of life for business leaders since religious values and beliefs can drive judgment and decisions over time (Mitroff & Denton, 2012; Werner, 2008; Woodhead, Fletcher, Kawanami, & Smith, 2002). While scholars have provided evidence of the crucial input of family leaders around the creation and development of family businesses, the topic of entrepreneurial leadership, influenced by religious views, in family firms has not received substantial attention (Leitch, McMullan, & Harrison, 2013). Moreover, as leadership also implies the inclusion of personal values and beliefs, there is room to theorize how family businesses may be influenced by religion (Miller & Ewest, 2015). To address such gap, this study focuses on religion, particularly on Christianity and its influence on entrepreneurial leadership in the context of families in business (Popp, 2012; Wong, Smith, & Popp, 2018)

This chapter argues that in the context of some family businesses, entrepreneurial leadership may entail rethinking the way businesses operate based on a Christian perspective (Ewest, 2018). Family businesses influenced by Christianity have endured in diverse societies and can be found in diverse

industries (Higginson, 2012; Jeremy, 1990). Whilst people may be surprised to learn that some of the largest corporations are family-owned businesses, firms such as IKEA, WalMart or Samsung, other companies are well (or less) known for being family businesses guided by long-standing Christian religious principles and heritage, making a virtue of their familiness in promoting their products and their culture such as Chick-Fil-A (Cathy, 2007) or Cardone (Cardone, 2009). The central idea for entrepreneurial leadership influenced by a Christian perspective is that business leaders serve God primarily (Cafferky, 2012) and from this relationship comes a distinctive approach to entrepreneurial activities over time (Wong et al., 2018; Higginson, 2012). This chapter proposes a model that aims to answer the following question: How does entrepreneurial leadership, influenced by a Christian perspective, manifests in the context of a family business?

Focusing on Christianity as a relevant influence for entrepreneurial leadership is important to advance understanding in family business research. Christian values are often related to the decision-making processes that individual business owner-managers engage into (Ibrahim et al., 2008; Werner, 2008). Scholars call to extend understanding by acknowledging one of the most significant challenges in the study of entrepreneurship, leadership and family businesses when focusing on Christianity - the assumption that entrepreneurship and leadership in family firms are religion-neutral (Wong et al., 2018; Discua Cruz, 2018).

BACKGROUND

Entrepreneurship, Leadership, and Entrepreneurial Leadership

Defining entrepreneurship and leadership defies a straightforward approach. Entrepreneurship is considered a young field, diverse views and perspectives have added complexity to a common consensus as to what it entails (Companys & McMullen, 2007). Earlier debates concentrated on what should be the particular focus of study in entrepreneurship (Gartner, 1988). Since then, themes have ranged from understanding entrepreneurial genesis to the relevance of entrepreneurship for the survival of existing firms in different contexts (Getz & Petersen, 2005). Nowadays, a definition and the nature of entrepreneurship, the characteristics, behaviour and traits that can portray somebody as an "entrepreneur" or a firm as "entrepreneurial" continue to be expanded and debated (Alvarez & Barney, 2004) resulting in a diversity of themes to explore (Ucbasaran, Westhead, & Wright, 2001). Such debates highlight that scholars need to be explicit about the definition of entrepreneurship used (Gartner, 2001). This chapter will not revisit every theme in the entrepreneurship literature but will concentrate on clarifying important notions within the field relevant in the study of entrepreneurial leadership and religion in family business.

This chapter acknowledges the growing discussion that the entrepreneurship field involves "the study of sources of opportunities; the processes of discovery, evaluation, and exploitation of opportunities; and the set of individuals who discover, evaluate, and exploit them" (Shane & Venkataraman, 2000, p. 218). From this definition, entrepreneurship entails more than materializing a business venture - it underscores the study of a process, involving one or more individuals, and their journey from an idea to the foundation or acquisition of a business and its development. Nowadays, there seems to be a growing consensus that entrepreneurship activities are diverse and have to be understood in diverse contexts that embrace multiple reasons, purposes and values around the world (Welter, Baker, Audretsch, & Gartner, 2017). Entrepreneurship is believed to be influenced by religious beliefs (Henley, 2017). Recent reviews

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