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Family Business and Unethical Behavior at the Society

The aim of the research is to analyze comparatively experiences of unethical behavior at the society between family firms and non-family firms. The opinions are describing how other firms than the respondents are behaving irresponsibly and unethically. The experienced ethical values of family firms and non-family firms are compared in quantitative methods. Family firms are defined as family-owned and -managed organizations. They are planning a succession or they have managed a one. Typically members of one family are working at the family firm. The values of family firm differ from other organizations. Abilities like trust, commitment in the long-term and responsible ownership are defining often family firms' behavior.

The quantitative research was made by mail-questionnaires from two national databases as systematic samples of 3 200 firms. The questionnaire was formulated by using likert-scale. The coding of the data and analyses were made by SPSS. All together 828 valid ques-

tionnaires were received back. The answer rate was 25,9 %. The family firms consisted 72,3 % of the results (599 questionnaires) and non-family firms 26,3 % (218 questionnaires). The data was analyzed by descriptive statistics, t-test, factor analysis, discriminant and classification analysis.

Experiences of other firms' unethical behavior at the society were more common in every level in the non-family firms than in the family firms. Especially the frequencies in the unethical behavior in using and gaining power as well as in ownership of the capital were higher in the non-family firms than in the family firms. The most typical types of experienced unethical behavior were in both groups boosting own personal image and status and promoting own economic interests at other people's expenses. There was a significant difference between family firms and non-family firms in promoting unethically own economic interests at other people's expenses.

Family firms' experiences on unethical behavior in the environment were especially the problems of irresponsible ownership and corporate governance as well as the unethical use of power. The egoism and irresponsibility in the form of unethical behavior is an opposite for responsible ownership. The results of the non-family firms show that they had experiences at the society especially of unethical behavior at the organization. Discrimination and favoritism, buying or blackmailing managers and blocking the careers of capable managers describe the results of unethical power using at the society among the non-family firms. The results of the family firms show that they saw the society, environment and other organizations more reliable, honest and ethical than non-family firms. ■