

Strategy to Enhance the Non-Family Employee Motivation in the Family Firms 提高家族企业中非家庭员工激励的策略

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Introduction

An urgent and complex issue faced by the family business emerge in our vision is that only 30% of family-owned businesses continuation to the second generation, merely 10–15% go down to the third generation, and only 3–5% survive until the fourth generation (Oudah, Jabeen, & Dixon, 2018). Many second and third generation inheritors of family firms do not choose to inherit their family business as their career objective, and they more likely to select jobs which weren't controlled by families. Indeed, the challenge of the family firm is keeping the sustainable development for a long time.

Family firms have the unique characters that are patriarchal autocratic rule and a founder-centered culture (Sieger, Bernhard, & Frey, 2011) so that these potential features of family businesses may lead to the unfairness of non-family employees compared with family employee (Barnett & Kellermanns, 2006). The non-family employees' positive attitude and job satisfaction are related to their performance (Meyer, Stanley, Herscovitch, & Topolnytsky., 2002). In addition, Barnett & Kellermanns (2006) asserted, cultivating the non-family employees' positive attitude in family firm is vital to the family firm which could sustain and survive persistently. Moreover, family firm to foster their non-family employees' job satisfaction was essential to impact the success of the family firms (Melian, Bulchand & González, 2015; Barnett & Kellermanns, 2006). As a consequence, in recent year, the non-family employees' positive attitude in the family firm have been studied increasing in a variety of previous research (Lubatkin, Ling, & Schulze, 2007). However, the previous projects were to emphasize the influence of non-family employees' positive attitude in the performance of the family firm (Janssen & Van Yperen, 2004). Although the massive existing research discussed how to motivate employee to achieve the perfect preference (Gunasekara, V., 2018) and the importance of non-family employee to impact the family firm (Habbershon, Williams, & Macmillan., 2003), few literature have investigated that the family firm how to enhance the non-family employees' motivation even presenting the specific concept or challenge for this issue and giving reasonable measure.

Thus, the purpose of review of the literature is to investigate how to enhance the non-family employee motivation in the family firm. A list of literature will be reviewed by us on enhancing non-family employee motivation in addressing the sustainable development of family firm.

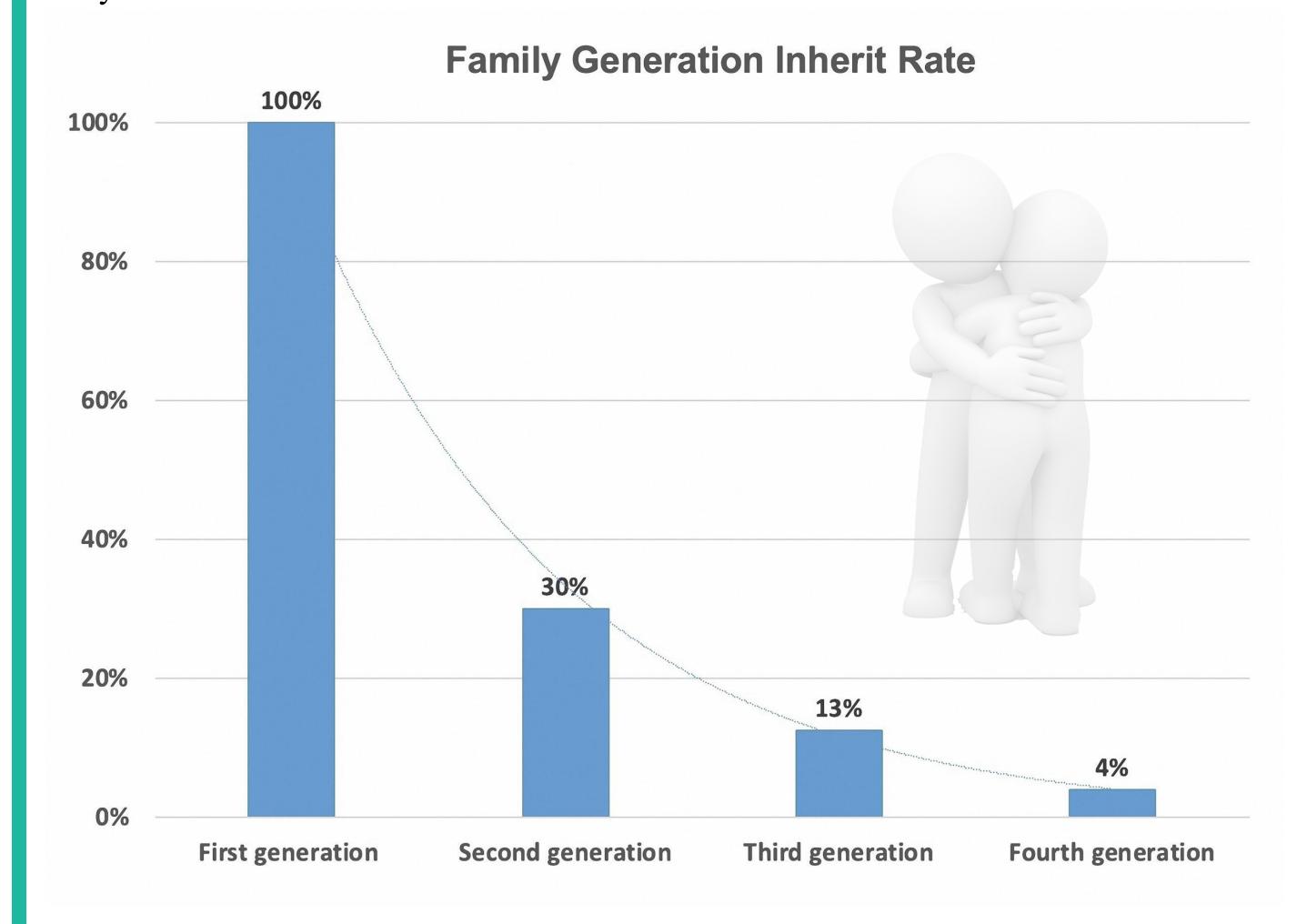


Figure 1 The Decline of the Family Generation Succession Rate (Oudah, Jabeen, & Dixon, 2018)

Non-Family Employee Motivation

The concept of motivation could comprehend as a process that provides conditions that allow people to influence employee's behaviors during the work process on purpose and make them satisfy their requirement of contribution to the achieve the specific organizational targets (Kubica & Szarucki, 2016). Concerning the definition of employee motivation, the first definition is that motivation considers as promoting power which is the driving force for employee behavior. The second definition is that this power affects the form, direction, intensity, and duration of the behavior (Meyer, Becker, & Vandenberghe, 2004).

The Challenges of Non-Family Employees Motivation

Poor Management- favoritism: Family firms lacked superior management because the abuse of authority problem may occur, such as hire own favoritism member or person (Miller Danny & Le Breton-Miller Isabelle, 2006).

Employee Motivation Problems- Sense of Belonging & Fairness & Commitment & Self-identity: The non-family employee might have identity development issue because they did not have the similar identity with the family members, and they might try to find their sense of belonging. Therefore, they would feel separated and hard to feel the sense of belonging if the unfairness issue happened; also, they would doubt about their work identification and their commitment to the firm would be influenced (Carmon, Miller, Raile, & Roers, 2010). Non-family employees' identification and the participation level has the positive impact of the family firms' sustainability and the survival (Vallejo, 2009)

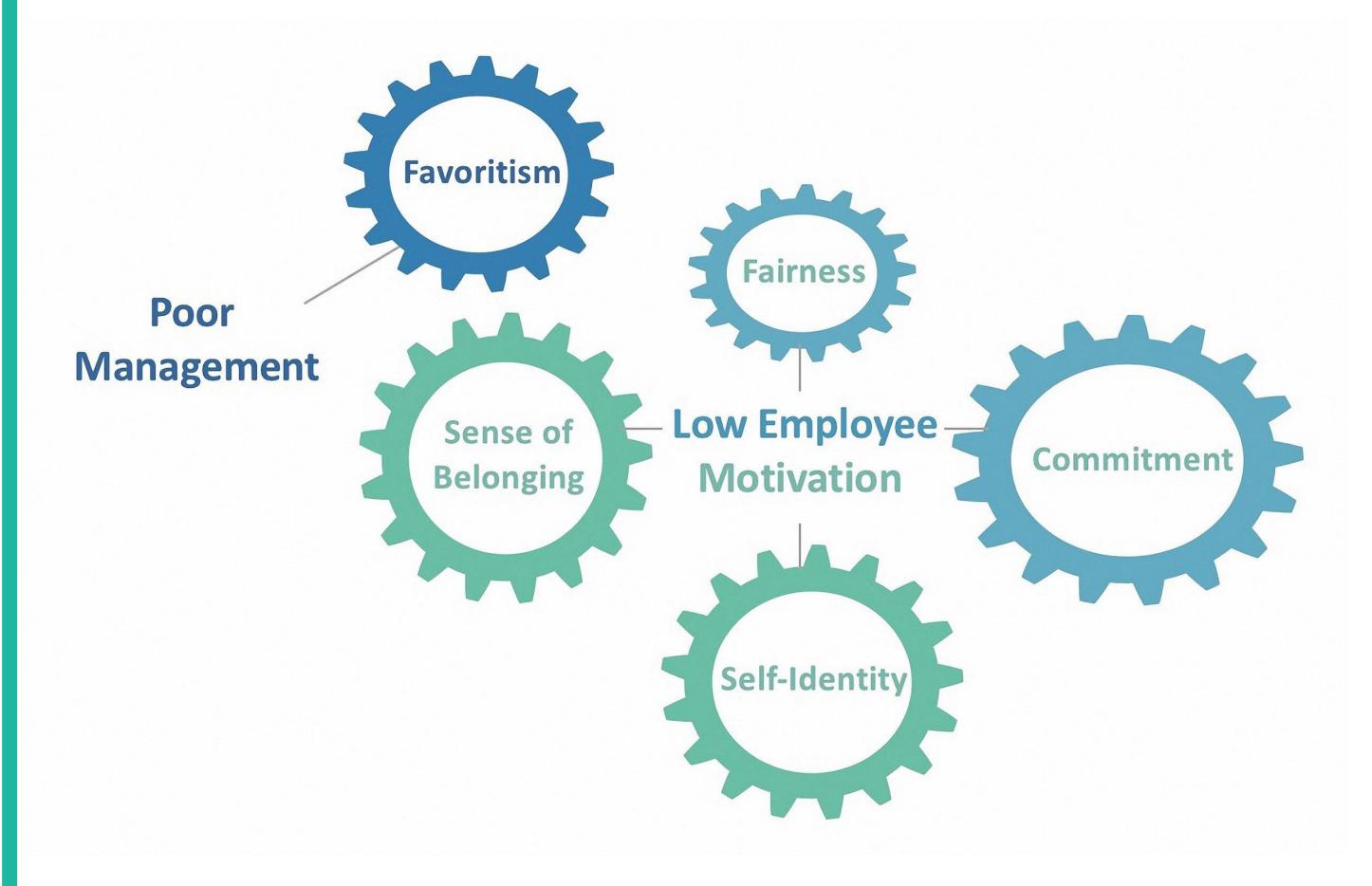


Figure 2 The information came from (Miller Danny & Le Breton-Miller Isabelle, 2006; Carmon, Miller, Raile, & Roers, 2010; Vallejo, 2009)

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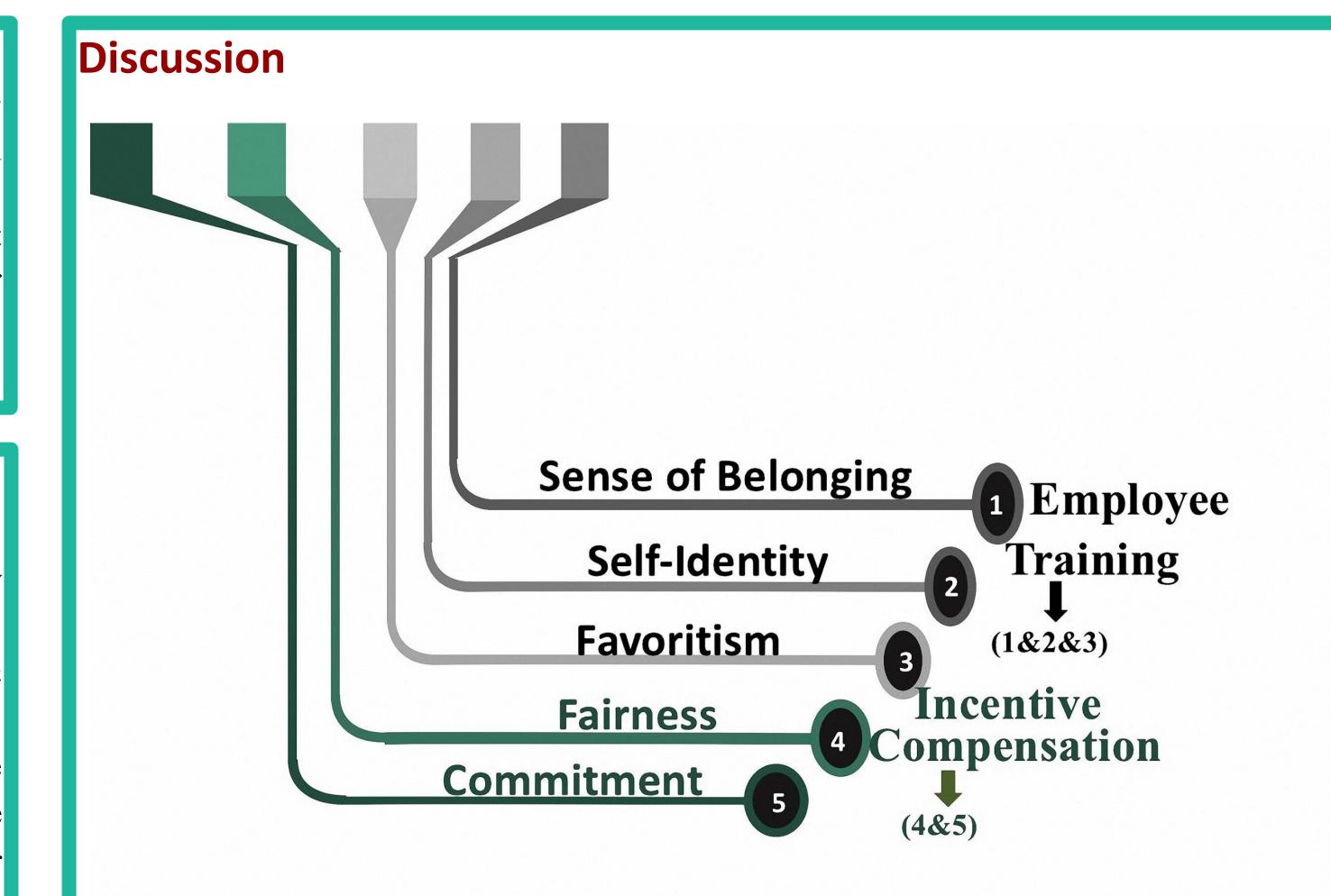


Figure 3 The information came from (Miller Danny & Le Breton-Miller Isabelle, 2006; Carmon, Miller, Raile, & Roers, 2010; Vallejo, 2009; Carlson, Upton, & Seaman, 2006; Breton-Miller & Miller, 2009)

Top Management Team Enhancing Non-Family Employee Motivation

In this study, we conclude that top managers team must be creative in build the stimulation which can produce personal and internal commitment, as same as developing employee enthusiasm in finishing company's targets in the family firm. As it can seem, if top management team has a goal to build the business sustainability of family firm by developing non-family employee motivation, they should not only encourage and stimulate positivity of employee and make them assimilated (cultivating the sense of belonging and self-identity) but also be creative in manage performance and decision-making behavior (Zijada, Emina & Amra, 2012)

Family Firm Enhancing Non-Family Employee Motivation

One of the best practices to enhance the non-family employee motivation is to ameliorate the human resource management (Carlson, Upton, & Seaman, 2006). We pay attention to two of these practice for HRM to apply in the non-family employee in the family firm. Firstly, the employee training throughout the employee's career life, it is a crucial measure for the development of family firm culture. Consequently, the spirit of the family firm will not disappear with the weakening of inheritance. Secondly, a vital element of business sustainability in a family business is to set of effective corporate compensation incentives. Compared with the general concept of employee motivation, the family firm needs to improve this aspect immediately because the unfairness is an urgent issue in the family firm (Breton-Miller & Miller, 2009).

Strategies

- Using Employee Training to Inspire Non-Family Employee Motivation
- Using Incentive Compensation System to Inspire Non-Family Employee Motivation

Future Research

The Incentive Compensation is an urgent issue that the family firms are bound to address how Compensation Incentive help to address favoritism. There still have the remaining question that we need to address in order to apply this strategy, which is a crucial aspect of the future research to develop the Incentive Compensation. The following have two remaining questions that might give the direction for the future research.

- How would Compensation Incentive address favoritism?
- Does favoritism prevent the Compensation Incentive in the family firm?