

Reducing and Resolving Conflicts in Family Businesses in Myanmar

Lal Din Mawi, Asia-Pacific International University, Thailand

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Abstract

In a number of countries, family businesses predominate and represent their economic backbone, as they generate wealth and employment. The purpose of this qualitative study was to identify the characteristics of conflicts in family businesses and to make focused recommendations for the management and resolution of such conflicts. In-depth interviews were conducted with 12 participants from seven distinct family-owned businesses in Kalay Town, Myanmar. The findings indicated that task, process, and relationship conflicts are prevalent in family businesses. Seven conflict management strategies were frequently used to deal with these conflicts—open communication, confrontation, debate or discussion, rotating responsibility, involving a third party, accommodation, and avoidance. Effective governance can improve family business dynamics, along with reducing and preventing conflicts.

Keywords: *Conflict, conflict management, family businesses, characteristics*

Introduction

Overview of the Topic

Family-owned businesses are critical to economic success in every country and have social significance (Brigham, 2013). In many countries, they represent most businesses and are the primary source of job creation. Myanmar is no exception; it has been estimated that approximately 83% of Myanmar companies are family-owned (International Finance Corporation, 2017).

Family businesses are characterized by their own complexities. The role of conflict is mainly because the members managing the business are linked not only by co-ownership, but also by parental relations, resulting in a nexus of economic and family-centered goals to be met at the same time (Kotlar & Massis, 2013). Family members confront each other in both their professional and personal lives, thus contributing to the complexity and blurring of work and family duties in their professional and personal lives. As a result, the relational equilibria inside family companies are more delicate, and as a matter of fact, conflicts are more frequent, intense, and less understood (Caputo et al., 2018). Such conflicts are named "family-related conflicts" because they occur at three interfaces—family-business, family-ownership, and family-business-ownership (Qiu & Freel, 2020).

One of the needs of a family business is to learn how to manage conflict within the family. What is feared, and frequently occurs, is that conflict divides people, destroys their relationships, and makes reaching agreements and finding solutions to problems even more difficult. The findings of this study will help provide a better understanding of the drivers, characteristics, and consequences of conflict in family businesses. Likewise, the investigation will assist in determining how best to manage conflicts, make the process less harmful, and the outcomes more favorable (Davis & Collette, 2014).

Motivation or Justification for the Research

Family businesses are personal and they can represent the key fabric of the country's economy. Myanmar's economy is poorly developed, although there has been a significant improvement in recent years. Most businesses are family businesses, and they are the backbone of the community. Family businesses also engage in corporate activities that have social responsibilities and philanthropic dimensions. Since it is difficult to open a business individually, it is common to get support from one's family, or for the extended family to be involved in the business management. The prosperity and survival of these businesses was a central concern behind this investigation.

A business's long-term sustainability and profitability depends on adopting sound fundamentals, and on the characteristics of the family that runs it. According to the Family Business Network (2017), only 33% of family businesses survive the founder, and 95% fail by the third generation. Family conflict is one of the most challenging aspects of running a family business. To learn effective conflict management, one must understand the causes, characteristics, and consequences of conflict in family businesses. The family conflict resolution culture is also a critical component for the success and longevity of a family business.

Anticipated Usefulness of Results

The study findings outlined here may help to suggest an effective system of managing and resolving conflict for family business practitioners. They may also be significant to those who want to start their own family business or just a small business. Moreover, they can also be applicable for people who wish to reduce conflict and increase a family's viability. The study also aims to provide readers with a better grasp of family businesses and their conflicts. It helps to identify some root causes of conflicts by understanding their nature and content. The findings show how to manage conflicts so that the process is less harmful, and hopefully more beneficial. This report might serve as a starting point for academics interested in learning more about how family businesses are affected by conflict.

Literature Review

Family Business

In a family business, a few key members are usually involved in making strategic management and overall business goal decisions as they supply a significant amount of financial capital or have a controlling ownership (Trevinyo-Rodríguez, 2009). In many respects, family businesses differ from non-family companies. Family owners, even as prominent shareholders in a public corporation, behave differently than unrelated shareholders. As shareholders, family members have family ties, as well as values and concerns, that are often more important to them than making a profit. Moreover, members are acknowledged as a family in society, and their position and identity as a family are crucial to them. As opposed to non-family businesses, leadership or control of the company will be passed on to the family's next generation. As such, the relationship of the current generation of owners to past and future generations is also different. "You don't inherit a family business; you borrow it from your grandchildren", as one Hermes family member put it (Jaffe, 2018).

Table 1 lists some criteria that are frequently used to characterize family businesses.

Table 1 Frequently Used Criteria to Characterize Family Business

Definitional Criterion	No. of Occurrences	Frequency (%)
Ownership	98	79
Management	66	53
Directorship	35	28
Self-identification	19	15
Multiple Generations	11	9
Intra-family Succession Intention	9	7
Total	238	

Note: Percentages are more than 100 % because most studies use multiple criteria. Source: (Davis & Collette, 2014)

Family businesses range from small businesses that serve a local community to big conglomerates that operate across numerous industries and countries. The definition of a family business is a complex issue, with no agreed-upon term in the literature. Defining the exact composition of a family business is complicated, so a variety of definitions are used for the reader to compare among studies.

According to the European Commission (2010), a family business of any size is defined as follows:

1. Most decision-making rights are in the hands of the natural person(s) who founded the firm, or the natural person(s) who has/have acquired the share capital, or their spouses, parents, children, or immediate heirs.
2. Most decision-making powers are either indirect or direct.
3. At least one member of the family or kin is formally involved in the firm's governance.
4. Listed companies are family enterprises if the person who founded or purchased the firm (share capital) or their families or descendants own 25% of the decision-making rights required by their share capital.

Conflicts Characteristic and Consequences

There are different elements and various types of family conflicts. Combining family members' assets, wealth, and employment in the family business system often makes for petty—yet deep-seated—bitterness and interpersonal conflicts (Karam et al., 2019). A study on conflict management identified three types of conflicts—task, process, and relationship (Jehn & Mannix, 1997).

Task Conflict refers to issues that may occur during the discussion of objectives and company strategies. It also includes conflicts about the content of a task. In this way, families that are prone to engage in debates and open discussions (communication orientation), creating a positive environment in which a functional task conflict can increase the level of innovation (Caputo et al., 2018). *Conflicts over processes* in family businesses arise from questions on how best to execute the work. In other words, this involves disagreements about how goals and tasks should be accomplished, as well as conflicts caused by strained interpersonal relationships. Task and process conflicts can occur at multiple decision points, and the strategy finally adopted can interfere with the smooth running of the enterprise. The difficulties tend to increase as more families and generations get involved in the family business (Qiu & Freel, 2020).

Relationship Conflict is defined as a sense of personal enmity, and incompatibilities that spill over and generate negative emotions like displeasure and frustration (Qiu & Freel, 2020). When individuals in a business have a personal disagreement, relationship conflicts develop. While relationship conflict can occur at any point, it is more likely to occur among family members due to the emotional bonds that exist (Alderson, 2015). When there is a relationship conflict within the family, it is complex and emotionally charged. This type of conflict is deeply rooted and can cycle through the business on many occasions. Unresolved conflict can lead to internal family competition and destroy a successful family business (Qiu & Freel, 2020).

While relationship conflict will continually hurt performance, task conflicts may have a range of functional impacts under certain circumstances. Task conflicts with a high level of intensity may have dysfunctional consequences (McKee et al., 2014). However, contrary to popular belief, disagreements can have positive functional effects when they are directed toward problem-solving. Researchers claim that when disagreements are directed toward problem-solving, they can stimulate the generation of alternatives, strengthen decision-making criteria, and create an atmosphere of commitment among team members (Qiu & Freel, 2020).

Conflict Management

As families have a highly informal communication style, a lack of communication is another major issue for family businesses. The survival and profitability of the family business require effective and open communication from all family members across generations. Effective communication skills is a core competency (Alderson, 2015).

It is suggested that relationship tension in decision-making could be decreased in boards where members share a high level of competence-based trust, as evidenced by the participation of family members from emotionally collective families (Brigham, 2013). Furthermore, the presence of independent board members may encourage the emergence of contradictory ideas, thus providing the key to formulation of sound strategic decisions. The presence of a number of board members may also encourage uncovering the main issue underpinning a conflict, thereby uncovering crucial issues

fundamental to sound decision making (Karam et al., 2019). Conflicts, on the other hand, can be used as motivators for positive change in the business (Caputo et al., 2018). Understanding the cause of conflict, the consequences of conflict, and the many ways for managing conflict is crucial to developing an effective strategy to resolve conflicts before they negatively influence productivity and creativity. As a result, knowing how to deal with conflicts involves cultivating an environment where the disputing parties can communicate openly.

Statement of the Research Purpose

The purpose of this paper was to identify the characteristics and causes of conflict in selected family businesses in Kalay Town, Myanmar, with the objective of making focused recommendations for their management and conflict resolution.

Research Questions

1. How often does conflict arise in a family business?
2. What are the factors leading to the emergence of conflict situations?
3. How are conflicts resolved in family businesses?

Methodology

A qualitative research approach was adopted in this study. The main reason was not to limit the scope of the research or the nature of participants' responses. Data were collected through face-to-face interview sessions in small family group sessions.

Characteristics of the Businesses

Seven distinct family businesses were interviewed in Kalay Town, Myanmar. These businesses included a private elementary school, a private high school, a gas station, a pharmacy, a rice supplier, a fish farm, and a bottled water company. Kalay Town is a strategic business site since it is close to the Indian border and well connected to Myanmar's various states and regions. All these family enterprises were currently managed either by the second generation, or involved the participation of the first and second generations.

Participants

A total of 12 participants were interviewed (please see Table 2). These consisted of four owners, two managers who were also family members, three employees who were family members, one family member, and one principal. Individuals holding different positions of responsibility were interviewed to provide a more comprehensive view of the problems encountered and conflict resolution strategies adopted. Initially, 14 prospective people were contacted and agreed to participate. However, due to work obligations, two had to withdraw.

Data Collection Method and Tool

Each participant was interviewed with no other family member present. This method allowed for the collection of detailed information on interviewee perspectives and motivations. Questions were asked that enabled a deeper understanding of the conflict, elements of the problem, effects of the conflict, and how conflicts were handled in their family businesses. Although interview guidelines were created and used by the researcher, the interviews were primarily unstructured to allow for flexibility in their flow. Participants were not compensated in any way for their contributions. When more information was needed, the researcher asked more precise follow-up questions. Most people were a little uneasy when hearing the term *conflict* at the start of the interview. When the word *disagreement* was used, they were more ready to respond and elaborate.

Table 2 *Profile of the Participants*

Business Type	Participants	Position	Frequent Type of Conflicts reported	Main Decision Maker
Private School (High School and Middle School)	1	Owner	Process, Relationship	The Parent
	2	Family Member		
Private School (Elementary School)	3	Family Member/Employee, Principal	Task, Process, Relationship	The Children
	4	Employee		
Gas Station	5	Family Member/Employee	Task & Relationship	The Owner (Respondent Sibling)
	6	Owner		
Pharmacy	7	Manager	Task	The Parent
	8	Owner		
Rice Supplier	9	Family Member/Employee	Task, Process	The Parent
	10	Owner		
Fish Farm	11	Family Member/Manager	Task, Process, Relationship	The Parent and the Children
	12	Owner		
Bottled Water Company	12	Owner	Task, Process, Relationship	The Owner (Respondent Sibling)
	12	Owner		

The interviews lasted between 20 and 26 minutes. Participants were first asked whether they were able to take part, after which an appointment was scheduled. They chose the time and location most convenient and comfortable for them. This was during business hours due to the circumstances in Myanmar. Interviews caused minimal disruption in participants' activities because some were interviewed while working.

Before an interview, permission to audiotape was requested from all the respondents. Two interviewees were uneasy about such a procedure. Notes were taken at every interview enabling confidential review and data management at a later time. After the conclusion of recordings, conversations were continued with respondents. During these conversations, they provided numerous tips for reducing future conflicts.

Data Analysis

The interview analysis was a multi-step procedure; no computer software was used. Comments were listened to in conjunction with the note records. Sometimes the procedure was repeated so as to acquire a better sense of the data collected, as well as to figure out the main points and the most critical issues. Following each interview, text fragments were examined and assigned a code. The initial step involved open coding after the interview was transcribed. Codes were placed in the margins of transcripts, while the next step involved applying these codes to the entire data set. Then the codes were evaluated and categorized. Concepts were linked to codes that matched or were related to the same subject. Hence, a category was connected to its subcategories. Finally, in an operational conceptual model (Figure 1), selective coding was employed to fit and link the concepts together.

Figure 1 *Data Analysis Process*

Data Presentation

The definitions of concepts and categories were taken from and found in the interviews. Their application remained constant. Citations were used to illustrate the findings. After a citation, each respondent was identified by a number in brackets, e.g., Participant 1 or (Participant 2).

Research Findings

Conflict: Concept Definition

A visible conflict between two or more family members was referred to simply as a conflict. Occasionally, situations were encountered where friction and teamwork were less than ideal. Because conflicts were viewed as major negative events, respondents preferred the term *disagreement*. Minor disagreements occurred almost daily. For example, Participant 3 stated: "Almost every day, there is at least some disagreement in the work".

Types of Conflict and the Conditions Leading to Conflict

In the analysis of an interview, conflicts were classified into three types, namely, task conflict, process conflict, and relationship conflict. A generalized summary of the results is shown in Table 3 where the different conflict resolution methods used are structured by the type of conflict.

Task Conflict occurs when people disagree on which tasks should be completed. This involves opposing viewpoints on how to complete a work-related task or make a work-related decision. The most common and frequent type of conflict was task conflict. It ranged from a simple disagreement to a more major issue, such as the strategic goals of the business. Differences of opinion and a lack of cooperation were the most common causes. When specific expectations were not reached, a conflict resulted, as expressed by Participant 7—"When they don't do [or] think as I said, they perform badly, and I will get mad at them." Discussions on the best way to handle a project or differing perspectives on how to allocate limited resources constitute two examples leading to conflicts, i.e., "Assigning our family's own resources to the business creates a lot of disagreement" (Participant 12). When two jobs had tasks that overlapped, this could lead to conflict between the coworkers as observed by Participant 9: "We have different jobs, but we both have to make a financial statement." Discussing alternatives can also lead to conflict. Task conflicts can hinder a smooth work process because no decisions can be made until the conflicts are resolved.

Process Conflict occurs when individuals disagree on how to divide and assign responsibilities or on how to get things done. It normally occurs when opposing viewpoints and strategies clash. Participant 4 illustrated this issue as follows: "After we discuss what to do, none of us wants to be the one who is responsible." Different opinions on techniques for the process and resource allocation for a task may be involved: "We discuss over and over about the distribution of resources available to different applications" (Participant 11). Process conflict can involve dissimilar ideas on problem-solving or decision-making processes. For example, Participant 1 stated that the "government makes new rules related to the school. We had a lot of disagreement on the manner of how to approach that." While discussing or debating how the task should be executed, older members can also use their authority position to accomplish their objectives. This simply complicates matters and frustrates other persons, ending in relationship conflict. Multiple interfaces can potentially cause task and process problems. This can occur when it comes to time management, work distribution, or responsibility. Passive-aggressive tactics like power plays, blaming, and concealing information are examples of process-based conflicts. Respondents with more families and generations involved in a family business reported a higher frequency of task and process conflict.

Relationship Conflict develops when personal dislike and incompatibility lead to unpleasant emotions like annoyance and disagreement. Relationship conflict arises when personal feelings and emotions are involved. Interpersonal differences and emotional bonds with the company are at the center of this form of conflict. Things might easily become emotional due to the family's closeness and direct communication style. This was illustrated by Participant 5 who said: "I usually don't like how my brother talks to me about the work; sometimes I feel disrespected." Relationship conflicts are a natural

aspect of family businesses since families are not reluctant to express their thoughts. For example, “My father will loudly oppose my idea” (Participant 9). This could include things like snapping at others or raising one’s voice. This can lead to feelings of disrespect, as illustrated by Participant 11: “My mother sometime will raise her voice [...] It is completely unpleasant for me.”

Table 3 Summary of Conflict Resolution Strategies Structured by the Type of Conflict

Conflict Type	Conflict Management	Consequence
Task	Discussion/Debate	A fair solution that both accepted
	Compromise	Lessens relationship conflicts in the family
Process	Compromise	Prevents new conflicts from happening Might not address the full interests of the other party
	Rotating responsibilities	Shares responsibility for solving problems Feels empowered
	Involve a third party	Helps to diffuse tension Dissolves negative emotions
	Collaboration	A win-win outcome Generates constructive conflicts and reduces relationship conflict Open communication
Relationship	Accommodating	Reduces the occurrence of relationship conflict One party may feel overpowered
	Open communication	Resolves the conflict faster Avoids complex conflicts Healthy discussion promoted
	Avoidance/separation	Helps to cool down emotions Reduces the complexity of conflicts
	Confrontation	Reduces the complexity of conflicts by setting clear boundaries between conflicting parties

Complaining about others while expressing negative feelings also leads to personal conflicts. They are typically petty, however, and easily resolved within the family—“If we fight about a silly thing, we get over it quickly” (Participant 4). Respondents stated that they maintained a professional attitude at work and among other coworkers. Task and relationship conflicts can exist simultaneously between a parent and their children. Family members rarely fight about what they think they are fighting about. Therefore, arguments about a task, for example, could lead to or indicate a relationship conflict. Participant 9 illustrated this dynamic in this way: “My mother will get upset or emotional after we had an argument about ‘whose job it is’” (Participant 9). Relationship conflict can cause frustration and irritation, as well as development of an unpleasant atmosphere.

Conflict Management and the Consequences

In open communication, recognizing the disagreement is the first step. That way the conflict is communicated with respect to personal differences and contradicting viewpoints. This creates a healthier discussion about the conflict. The key point is to listen to the viewpoint expressed and show understanding. Communicating openly can calm others down, hence preventing an emotional outburst. This approach can lead to a sensible solution to the actual problem. For example, one respondent said, “After openly communicating, I found out the underlying interest” (Participant 3). Such an approach adopted to relationship conflict can lead to a quick resolution, thus avoiding complex conflicts.

In the confrontation method of solving conflicts, a disagreement can be raised directly with the person involved. For example, a person who is complaining can be confronted, and they can be asked about it objectively. This was illustrated by Participant 1: “When I heard the complaint, I asked [the individual] to give me a sensible reason and suggestion.” Also, direct confrontation can be appropriate

for a person who does not cooperate, makes mistakes, or is tardy. On the other hand, the issue can be approached indirectly at a team discussion. Participant 4 adopted this approach as explained below: "I know there is a disagreement between them. I don't want to confront them face-to-face; I will look nosy. Instead, I bring it up at the team meeting." Confrontation can reduce the complexity of the conflict while setting clear boundaries.

The debate or discussion method of resolution is fact-based and non-emotional. Everyone takes part in the brainstorming process to find the best answer to the problem. It is most commonly used in task-based conflicts, and can bring about a compromise or a solution. Everyone is given the opportunity to express their point of view, and then the most convincing argument is chosen through a rational debating process. Participant 10 stated: "We dealt with task-related conflict by ensuring that everyone had an opportunity to thoroughly explain their points of view, and then going through a reasonable discussion process for determining whose argument was the most compelling."

Rotating responsibility can be used when there is disagreement on workload issues or when there is a process conflict (how to allocate responsibility). To assure the quality of the work, the family members may make compromises in their schedules and tasks. Everyone becomes involved in taking responsibility and solving the problem in this way, as explained by Participant 12: "We provided everyone the opportunity to volunteer for the work that [they] desired."

Finding middle ground between two parties is the goal of compromise. It is a popular technique for resolving task and process conflicts. After a discussion, debate, or open communication, a compromise is reached. Compromise is considered fair since it requires each party to make concessions to maintain the equilibrium. This thought was expressed by two participants thus: "We came to an agreement over who did which" (Participant 6), and "We acknowledged that our interests and techniques differed, and attempted to reconcile our matters" (Participant 11).

A third party can be called to assist them in finding a long-term desirable solution. This may be another family member or someone in a position of higher authority. This approach was adopted by Participant 4: "When my sister and I had a conflict about our schedule, we asked the principal to decide for us." Most process-related conflicts can be resolved by talking to the next-level supervisor. To allow for a timely resolution, this discussion should be held as early as possible.

Accommodating is where individuals are willing to adapt to the wishes of the other party. Respondents described this strategy as "avoidance," as they evaded uncomfortable conversations to avoid a relationship conflict. Giving in to the desires of others is simpler than having a confrontation, and it is a good way to avoid further conflict. When one party has greater power than the other, it is quicker and easier to compromise: "I don't agree with everything he says, but he's the owner, so I simply do what he wants" (Participant 12).

Avoidance or separation refers to a lack of responsiveness to conflict and a desire to avoid it. Avoidance is an effective strategy to de-stress. Avoidance, according to Respondent 2, was not about refusing to deal with the problem; rather, it was about allowing the other party to cool down after an outburst of anger to keep from further exacerbating the situation. This can be as simple as removing oneself from the other for a brief period: "He was emotional and angry, so I avoided talking about anything else, and took a break from him to chill off" (Participant 2).

Discussion

Conflict management styles were identified in this study based on information provided by the respondents. It reviewed how families dealt with task, relationship, and process problems, as well as how conflict and satisfaction levels were affected by different conflict resolution tactics. Personality differences, differences of opinion, authority, lack of cooperation, expectations, and communication were all leading causes of family-related conflicts in their businesses. The weight attached to each of these differed from person to person. The importance of task conflict was determined by how much the solution would affect the business. Conflict in day-to-day business operations, for example, is less significant than locating scarce resources. When there are more family members involved in the business, there are more task and process-related conflicts. Task and process conflicts can shift to

relationship conflicts, particularly when distrust develops and individuals take significant differences personally. This can happen frequently. Aside from that, disagreements between siblings were minor and resolved by informal communication.

Task conflict in the family business can be beneficial (Qiu & Freel, 2020). When families debate and even argue as a matter of habit concerning plans and objectives, they can see things differently, and see ways to boost productivity without escalating a conflict. Debates over understandings and perspectives concerning a problem can lead to higher-quality decisions being made. Discussion and debate help the family to effectively and creatively combine information, judgments, and viewpoints of individual members to produce significantly better results.

Some elements, such as the nature of the conflict, affect the resolution techniques used (open communication, confrontation, debate, or discussion, rotating responsibility, involving a third party, accommodation, and avoidance). The complexity and seriousness of a conflict are factors that need to be considered. Among health care professionals, differentiation is made between structural and non-structural conflicts. These professionals do not usually get involved in quarrels unless they are quite serious. They will not hesitate to seek a confrontation if the problem is serious. The emotional state of team members has an impact on the tactics they use to resolve conflicts. In addition, the context of conflict has relevance. This refers to the time and atmosphere in which a conflict occurred (Leever et al., 2010). My respondents believed that when something needed to be communicated, choosing the right time was critical. Furthermore, distinct family characteristics, such as emotional connection or power distribution among family members, influence family-related conflicts and how they are resolved.

This study validated the idea that if more family members are involved in the business, more task and process-related conflicts occur (Pieper et al., 2015). The respondents who worked with more family members reported a higher frequency and variety of conflicts. Especially when many of them held management positions, they could voice their ideas and disagreements. Marquis and Huston (2006) stated that discontentment arises from differences in ideas, values, or feelings between two or more persons leading to conflict. In this study, it was found that when diverse points of view clashed and expectations were not satisfied, the family business suffered from the conflict. In most cases, disagreements over ideas lead to task and process conflicts. When the quality of performance falls short of expectations, it causes agitation and anger, and may lead to conflict as well. Respondents may vary in what they perceive as a good conflict resolution strategy. For example, in accommodation conflict resolution, one's needs and interests will not be fulfilled when giving in to the wishes of others.

According to one study, there may be little conflict between second-generation family members and their parents, but there can be a lot of conflict amongst siblings (Alderson, 2009). In the interviews reported in this study, only two respondents said they often disagreed with their parents. Both respondents worked in the business as executives. Tasks and processes were the main sources of this type of conflict. The family dynamic, power structure, and the decision-making power of the children can help explain why there is little conflict between parents and their children. Arguing with a parent is seen as disrespectful and displaying bad manners. The children frequently listened to or gave in to the parent's wishes, because they understood that they lacked experience and understanding in the business compared to their parents.

Many family conflicts can be prevented from happening or minimized by having reasonable governance procedures to deal with business dimensions. One of the most important methods is having open communication. Open communication focuses on the emotive tone of discussions (e.g., ego-invested versus amicable task-centric debate). Families should separate family and business-related issues. Families with a more viable business decouple or separate ownership matters from management difficulties, and maintain a balance between their relationships as family members and business owners (Nasser, 2014). Most respondents stressed the importance of all members of the family being treated consistently and fairly. To manage this, the benefits that one gets from the family business should depend on the contribution made. Also, a family member needs to develop some skills before and after joining the business.

One significant family business concern relates to the business succession process. If this is not adequately planned and managed, even in a profitable and stable business, failure of the business may result because of the conflict (Davis & Collette, 2014). For the transition to the next generation to be successful, the older generation's vision must align with that of the new generation. It is crucial that the next generation is involved and encouraged to learn about the business entity as early as possible, in order to provide the necessary experience and build a sense of ownership and loyalty to the family business. Family relationship conflicts can be prevented or minimized by having regular family gatherings or meetings. It is essential that everyone in the family participate, regardless of whether they are actively involved in business management or not. As a result, the chance of family conflict is reduced, and the likelihood of the next generation embracing and supporting the family business is increased.

Conclusion

Conflict is a common issue within family businesses. In this paper, the vital role that family businesses play in the economy has been emphasized. The existing literature on conflicts in family businesses was investigated, and a connection established between different types of conflict and conflict management strategies employed in family businesses. This enabled some important conflict management techniques used in family businesses (e.g., discussion/debate and third-party intervention) to be described. Depending on the context of a conflict, its complexity, and the emotional state of family members, family businesses favor certain strategies over others (e.g., compromise and rotating responsibilities). Family meetings, a written constitution, and family retreats are examples of governance tools that can be used to improve family communication, improve decision-making effectiveness, and prevent and resolve conflicts within the family business.

Limitation and Recommendations for Future Research

The main limitation of the study was its inability to cover more businesses, and the focus was entirely on just one location. This means that generalization to other areas is limited. Recommendations for further research would be to replicate this study using a larger sample size. Second, it would be helpful to study the similarities and differences in patterns of family-related conflicts, and the related conflict management strategies used across different types of family businesses.

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