

Research on Technological Innovation in Family Firms: Present Debates and Future Directions

Alfredo De Massis, Federico Frattini and Ulrich Lichtenthaler

The authors did a review of the existing literature and found 23 research articles that looked at technological innovation in family firms and then identified the major gaps in the research and made recommendations for future research. The article highlights the importance of technological innovation for the competitive advantage of family firms. Technological innovation is defined as the set of activities through which a firm conceives, designs, manufactures, and introduces a new product, service, system or technique.

The authors provide several interesting implications for practitioners in the “Implications for Practice” section of the paper. Family firm decision-makers and consultants to family firms should exercise caution in generalizing best practices about technological innovation from non-family business settings, because those best practices may not leverage the distinctive resources of a family business and in fact may provide barriers to technological innovation. For example, much of the literature on innovation argues for establishing a formalized and systematic process for managing technological innovation projects, but this may be counterproductive for family firms and hinder innovation.

Consultants should be wary of automatically recommending best practices in this field without a careful examination of the unique characteristics of the family firm. This is obviously an area that still needs considerable research and practitioners should consider partnering with researchers to investigate this important area of study.