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Family Businesses Navigating the New Normal

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Abstract

Family businesses are a cornerstone of the global economy, embodying a unique blend of tradition, resilience, and forward-looking vision. This thesis addresses the complex dynamics of large family businesses surrounding the internationalization behavior in the face of significant exogenous shocks, such as the Covid-19 pandemic and geopolitical tensions. Based on a qualitative empirical single case study of the Austrian family business Internorm, the fundamental dimensions that determine the resilience and adaptation strategies of family businesses are examined in detail. The analysis highlights the central role that family-led identity and culture play in promoting stability, skillful crisis management and strategic development in the presence of adversity. By leveraging their inherent family ties, long-standing partnerships and flexible decision-making processes, family businesses can skillfully navigate challenges and ensure business continuity even in turbulent circumstances. Strategic adjustments in crisis situations underscore the need for innovation and quick decision-making, supported by strong financial strategies and risk management that ensures business continuity in the face of uncertainty. In addition, the implementation of holistic employee management practices proves to be pivotal in fostering loyalty and adaptability within the workforce, promoting a supportive organizational environment even in the face of turbulence. This comprehensive examination illuminates the nuanced interplay between family business and exogenous disruption, providing invaluable insights for both academic discourse and practical application in the field of family business management.

List of Abbreviations

Covid-19 .... Coronavirus Disease 2019
FF .... Family Firm
IB .... International Business
IP .... Interview Person
min. .... Minute(s)
SEW .... Socio-emotional Wealth
VUCA .... Volatility, Uncertainty, Complexity, Ambiguity

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1 Introduction

Family businesses are a fundamental pillar of the global economic landscape and characterize the face of the corporate world in many respects. Their importance extends across various industries and national borders, and they make a significant contribution to stability, employment, and innovation in many economies. Family businesses are characterized by their close connection to the values and visions of the founding family, which shape not only the management but also the identity and direction of the company. Their objectives go beyond the pursuit of financial prosperity, taking into account a socio-emotional component of wealth (Debellis et al., 2021). Hereby, socio-emotional wealth (SEW) can be explained as the non-financial endowment of a company that forms the non-monetary goals of a family business (Gomez-Mejia et al., 2007, Debellis et al., 2021).

Yet, in today's rapidly evolving socio-economic landscape, characterized by unprecedented challenges such as the global health pandemic (Covid-19) and geopolitical tensions, family businesses are under particular pressures that require adaptive strategies and resilient responses. In this context, the economic landscape has been disrupted by various macroeconomic shocks in the past. The financial crisis in 2008 for example, which got induced by the burst of the U.S. housing market bubble and the surge in foreclosures, has grown into a global financial crisis. These events led to fundamental vulnerability in the global financial sector and the consequences of which pushed countries into recession (Nanto et al., 2008). Despite facing persistent challenges in the ongoing efforts to restore and stabilize the financial system and the world economy, the world was further impacted by a global health crisis in 2020, known as the Covid-19 pandemic. Its consequences have had and continue to have an impact not only on the daily life, but also on the economy and especially on businesses worldwide. The repercussions of this crisis led to company closures, reorganizations, and restructurings of firms in the business sector. It can therefore be said that every company has been affected in some way by this crisis, causing significant cuts in the realm of day-to-day business and leading management teams to question the stability and resilience of their companies during and after major exogenous shocks (Kraus et al., 2020). While companies are still trying to recover from the Covid-19 crisis, another shock hit the world in February 2022. Due to the increasing intensity of the conflict between the countries of Russia and Ukraine, Russia started the invasion of Ukraine on February 24, 2022, triggering war in the heart of Europe. As a result, family businesses have had to cope with the new circumstances and adapt their operations to the "New Normal".

Since family businesses are the most prevalent form of enterprise in the world, there is a need to deepen the understanding of how they deal with major crisis and shocks that severely constrain their business life (De Massis & Rondi, 2020). It is necessary to conduct further research in this area in order to generate potential approaches for solutions that can be incorporated into the strategic considerations of companies aiming to be prepared for such situations and thus maintaining the company's ability to function. Understanding how family businesses navigate these challenges, reorient themselves in times of crisis and strategically expand into new markets during disruption is of great importance for both academic research and practice.

The aim of this thesis is thus answering the following research question: “How does a family-owned enterprise react to exogenous shocks?”. To this end, I develop an in-depth single case study of **Internorm,** an Austrian family-owned company that operates at international level. The family business Internorm is the leading window brand in Europe offering their customers highly heat-insulating windows and doors to their individual requirements. In order to continue to be the market leader in Europe, Internorm invests in constant research and development on new window and door technologies to provide their customer even more safety, comfort and energy efficiency (Internorm International GmbH, 2021). As a family business with a strong international presence and a long tradition as an innovation leader in the window manufacturing industry, Internorm offers valuable insights into how family businesses navigate and adapt in a challenging geopolitical and economic environment. The theoretical framework for this thesis is based on the Assemblage Theory providing an understanding for the impact of internationalization on family businesses to analyze the complex interplay of different elements, actors and forces in a given context (Reuber, 2016). Furthermore, factors, whether originating externally or internally within the company, can significantly impact the stability of a family-owned enterprise. In this master's thesis, a connection is established based on this theory, putting emphasis on investigating the adaptability of the internationalization strategy of family businesses in response to exogenous shocks. In particular, the idiosyncratic nature of family businesses is taken into account in order to gain new insights in this area.

The thesis aims at understanding and addressing the complexities of family business behavior in the context of the New Normal. The main findings gained from the in-depth interviews are being categorized in five pillars (family-led identity and culture, effective crisis management and adaptation, strategic adjustments, financial resilience and risk management, holistic employee management). Each of them providing actionable insights and strategic guidance in times of crisis. By that the thesis contributes to existing theory by providing empirical evidence and a structured framework for understanding family business behavior in the New Normal, addressing a significant gap in the academic literature. The findings provide practical guidance for adapting strategies and practices to overcome challenges arising from events such as pandemics and conflicts, ultimately strengthening the resilience of organizations and ensuring long-term success.

The thesis is divided into the following chapters and sub-chapters with the aim of providing a thorough analysis of the behavior of family businesses and their internationalization plans in the face of exogenous shocks. **Chapter 1** lays the foundation for the thesis with an introduction that outlines the topic, the research questions and the main objective of the thesis. It also clarifies the framework on which the following chapters are based. In addition to analyzing the particularities, structural features and characteristics of family businesses, **Chapter 2** poses a solid theoretical foundation. A key element is the assemblage theory, which emphasizes the internal and environmental triggers that influence these companies. **Chapter 3** introduces the methodological terrain, detailing the aim of the study, the chosen research design and the structured implementation of the questionnaire. The adoption of Gioia's methodology and the reasons for the single case study design are explained to ensure a rigorous research methodology. **Chapter 4** presents the background of the family business "Internorm", detailing the historical development and key characteristics of the company.

The empirical results are presented in **Chapter 5**, which also provides a thorough analysis of the family-led identity, financial approaches, strategic adjustments, crisis management techniques, and holistic employee management. The main body of this chapter is a brief description of these empirical outcomes. The thesis is finally brought to a close in **Chapter 6**, which also addresses the research issue, has a comprehensive discussion, highlights contributions, acknowledges limitations, and offers implications for future study as well as practical applications. The extensive reference list and appendices that follow provide more context for the research that was done in the earlier chapters.

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2 Theoretical Background

The conceptual and theoretical framework that will be utilized to direct the analysis and interpretation of the research findings have their roots in this chapter. Theoretical frameworks help to build the theoretical foundations of the research study and give a lens through which the research issues may be viewed and understood (Kivunja, 2018). An overview of the main theories, concepts, and models that are pertinent to the research issue is presented in this chapter's opening paragraph. The chosen ideas and concepts that are the most relevant to the research goals are then thoroughly discussed. The theoretical background chapter sets the stage for the next chapters' analysis and discussion by creating a strong theoretical foundation for the research investigation.

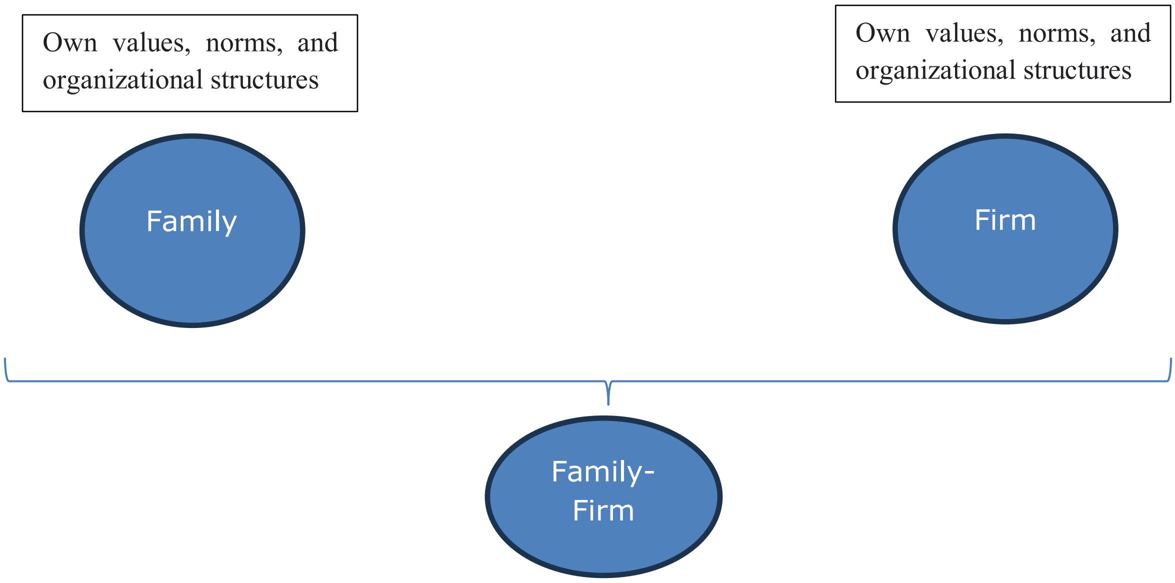
2.1 Literature Review

2.1.1 The Family Business and its Structure

In recent years more attention has been brought to the research field of family businesses (De Massis et.al., 2012). In the comprehensive literature review of Chua et al. (1999) they examined more than 250 papers to gain deeper insights into the definition of a family business. They argue that several notable observations can be made regarding the definitions of a family firm. Therefore, in their research, they found that the problem of defining a family business lies in the uniqueness of such an entity.

In the 1960s and 1970s few researchers began on investigating family firms and the problems they face due to the family owning the business. In this context the underlying conceptual model explains that the family business is consisting of two subsystems: the family and the company. Figure 1 below depicts the Two-Circle-Model. In each of the circle’s own values, rules, norms, and organizational structures are prevalent, which gives room for potential problems and discrepancies as members operate in both circles and have to fulfill different responsibilities. Therefore, it is most challenging to find solutions and to synchronize the goals and interests in order to satisfy both needs – the one’s of the family and the one’s of the firm (Gersick et al., 1997).

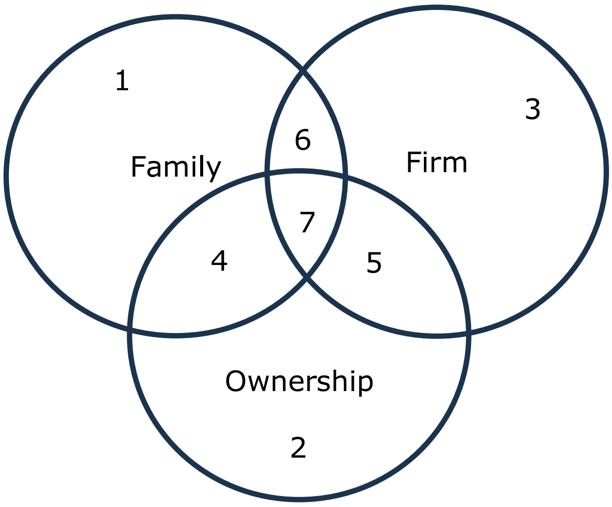
Figure 1: Two-Circle-Model



Source: own illustration

However, to fully grasp the business there is a necessity to differentiate between the owners of the business and the ones who run and manage it. The one missing link was the ownership. With that in mind in the early 1980s a new model was formed the Three-Circle-model.

Figure 2: Three-Circle-Model



Source: based on Gersick et al. 1997

Figure 2 illustrates the revised system featuring three distinct subsystems, resulting in the allocation of seven sectors. In the three-circle model, individuals in a family business can be categorized into seven sectors based on their roles and connections. Owners exclusively occupy the bottom circle, family members are in the top left, and employees in the top right. Those with only one affiliation are placed in external sectors (1, 2, or 3). For example, non-family shareholders are in sector 2. Those with multiple affiliations are found in overlapping sectors (4, 5, 6, or 7). Each person has a unique position in this model.

The three-circle model has gained broad acceptance because it combines theoretical elegance with practical utility. It serves as a valuable instrument for comprehending the origins of conflicts between individuals, role dilemmas, priorities, and boundaries within family-owned businesses. By defining distinct roles and subsystems, it simplifies the intricate dynamics within these enterprises, providing clarity on what is occurring and the underlying reasons behind it (Gersick et al., 1997).

2.1.2 The Family Business and its Idiosyncratic Character

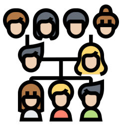
The distinctiveness of a family business is not solely attributed to the fact that family members own and/or manage the business, although these characteristics are undoubtedly significant. Rather, what truly sets a family business apart is the way in which the pattern of ownership, governance, management, and succession substantially shape the firm's objectives, strategies, organizational structure, and the manner in which these elements are formulated, designed, and implemented (Chua et al. 1999).

Based on the information obtained through previous research in this field, the following definition, which serves as the basis for this master thesis, can be formed.

“A family business is characterized by its governance and/or management with the explicit objective of shaping and pursuing the business vision of the family, with the ultimate goal of achieving sustainability over successive generations.” (Chua et al., 1999)

A key feature that sets family businesses apart from other types of organizations is their unique nature (Debellis et al., 2021). Since family and business systems interact, family firms have certain characteristics and dynamics. By examining the idiosyncratic nature of family businesses, we can gain deeper insights into their functioning, challenges, and opportunities for growth and succession across generations (De Clercq et al., 2015). In the following table view of the distinctive characteristics and qualities that set them apart from non-family businesses are presented based on the paper of Arregle et al. 2016 “Why Is Family Firms’ Internationalization Unique? A Meta – Analysis”

Table 1: Idiosyncratic Characteristics of Family Firms

Distinctive characteristics of a family business	
Family Dynamics 	Family dynamics play a crucial role in family businesses. Interpersonal relationships, communication patterns, and conflicts among family members can have a direct impact on the business's operations and culture (Gómez et al., 2014).
Long-Term Orientation 	Family businesses often exhibit a longer-term perspective, with a strong commitment to preserving the business for future generations. This focus on legacy and continuity can influence decision-making and strategic planning (Lumpkin et al., 2010).
Values and Culture 	Family businesses frequently uphold a set of core values and a unique organizational culture that reflects the family's identity and beliefs. These values can shape the company's ethical standards and approach to stakeholders (Vallejo, 2008).
Risk Tolerance 	Allow though family firms are held to be risk averse (Hiebl, 2014). Family businesses may exhibit a varying degree of risk tolerance, depending on the family's goals and comfort level with risk. This can impact investment choices and growth strategies (Lehrer & Schmid, 2019).
Stewardship 	Family businesses often view themselves as stewards of the company's legacy, which may lead to a sense of responsibility for the well-being of employees and the community in addition to financial success (Le Breton-Miller & Miller, 2015). This emphasis on the well-being and stability of employees can enhance their loyalty. Workers at family-operated businesses may feel their positions are safer than those at non-family enterprises, especially during financial crises or company difficulties, given the family firms' hesitation to reduce their workforce based on these non-financial motivations (Block, 2010).

Source: own illustration

In this context family enterprises face a mixed gamble, whereby the term "mixed gamble" pertains to a decision that encompasses the potential for both favorable and unfavorable outcomes (Alessandri et al., 2018). The distinct idiosyncratic nature inherent in family businesses can be perceived as a competitive advantage, particularly when strategies, knowledge, and resources are singular due to the familial organizational structure. This uniqueness of a family business can also be justified by knowledge that is idiosyncratic to the business and can be seen as a competitive advantage. Such an idiosyncratic attribute or a combination of more can also serve as an advantage in an option to sell the company. Consequently, the absence of a prospective family successor, leading to the erosion of e.g. tacit idiosyncratic know-how, could directly diminish the perceived market value of the family firm (Willams & Mullane, 2019). Furthermore, the idiosyncratic character can manifest as advantageous or disadvantageous when exogenous shocks confront the family business.

2.1.3 The Family Business and Internationalization

In the following section the focus is on understanding the internationalization of family businesses and further in light of recent exogenous shocks such as the COVID-19 pandemic and geopolitical conflicts.

Family businesses have put strong focus on domestic operations, but in order to thrive in the face of fiercer global competition, they must now expand internationally (Kontinen & Ojala, 2010). Therefore, this master's thesis examines the business activities of family enterprises that engage in cross-border operations. In order to establish a foundation for further analysis, a definition will be provided as a starting point. Reviewing previous literature shows that the term "internationalization" is commonly employed to characterize the process of firm's expansion into foreign markets (Calof et al., 1995). Consequently, internationalization can be understood as the process of increasing participation in cross-border activities (Welch et al., 1988). Companies who are willing to operate outside their home country have to incorporate strategies that favor the process of internationalization (Melin, 1992). Traditionally, research has regarded international business activities as risky and uncertain because they involve companies expanding into foreign markets that are unfamiliar to them (Mascarenhas, 1982). Further can the concept of internationalization be applied to various aspects of an organization, including their business procedures, organizational approaches, products, and other relevant elements (Calof et al., 1995). Following that, the business grows when it can absorb markets and will continue doing so until the costs of further growth to the firm surpass the benefits (Buckley, Casson, 1993).

The existing scholarly literature highlights several aspects that require consideration while examining the internationalization process of family firms. Such businesses face unique challenges in this attempt because of their unique governance structures and family-led values. Additionally, the growth potential of family firms is influenced by family factors, highlighting the interplay between family dynamics and international business strategies. The process of internationalization poses inherent risks and significant challenges for family businesses that need to be addressed effectively to ensure successful expansion (Zaefarian et al., 2016). These include financial constraints, limited access to key human resources and management expertise, the need for risk management and the potential threat to the preservation of socio-emotional wealth (Liang et al., 2014 & Arregle et al., 2017). In this context the study by Arregle et al. (2012) contributes to the broader discourse on the internationalization of family businesses by highlighting the importance of external influences in governance structures. It suggests that external involvement can provide family-controlled businesses with the necessary resources, perspectives, and expertise to manage the complexity of the global business environment. This external perspective can be particularly valuable when it comes to overcoming the challenges that family businesses often face when expanding internationally, such as balancing family and business objectives and managing risk in foreign markets (Arregle et al., 2012).

However, if these challenges can be overcome, the internationalization of family businesses can contribute significantly to their success. The positive aspects of family business internationalization are multifaceted, offering unique advantages that can significantly enhance the global competitiveness and sustainability of these enterprises. A crucial benefit of internationalization for family businesses is the expansion into emerging markets, which opens new opportunities for growth innovation and also risks. In this way internationalization allows family businesses to gain entrepreneurial knowledge and build their reputation and performance globally (Ratten et al., 2017).

Determining whether family firms internationalize more or less than non-family firms cannot be determined a priori. It is necessary to examine various factors that contribute to their differential internationalization patterns. While family firms exhibit significant heterogeneity, they also share commonalities. To gain insights into their internationalization tendencies, it is essential to consider factors such as family firms structure, business model (including global niche market presence), and governance. These factors exert influence on the internationalization process of family firms. Challenges may arise when family members hold positions in the management board and wield influence over decision-making. This can result in biased preferences towards family managers, disregarding their actual contributions to the FF and their competence in supporting both domestic and international operations. It is imperative to ensure that non-financial considerations do not impede financial aspects. Socioemotional wealth serves as a competitive advantage for family firms, differentiating them from non-family firms, as it fosters commitment to the firm and a willingness to engage in internationalization. However, it can also hinder the internationalization process if family members are unwilling to relinquish control or grant power to non-family members (Arregle et al., 2017; Berrone et al., 2012). The degree to which family firms' internationalization depends on their idiosyncratic ownership structure, availability of resources and capabilities as well as the capacity of their management team to implement a global strategy (Kano & Verbeke, 2018). In light of this context, it can be stated that their proceedings in terms of internationalization during exogenous shocks might significantly differ from non-family firms. This further amplifies that family businesses are long-term orientated and seek to maintain the family firm over generations. The profit maximization is put behind other values that prevail mostly in such family-owned businesses (Kano et al., 2020). Along with the family business succession, the history of the family plays a considerable role, which is handed down from generation to generation. By conveying non-economic values, the aim is to strengthen loyalty to the family business and create positive incentives for future generations (Erdogan et al., 2020). The heritage and tradition emerging through successive generations influence the strategic and operational business of family firms and provide them with a competitive advantage over their rivals.

The aforementioned factors influencing the internationalization behavior of family businesses are largely due to internal aspects. This thesis aims to establish a link by examining the internationalization strategies of family businesses in times of global crises. One of the key considerations is the willingness of these companies to take risks. Family businesses tend to prioritize long-term goals and securing the company's legacy across generations. This can make them more hesitant to enter international markets in times of uncertainty (Leppäaho & Ritala, 2022). Moreover, family businesses could also use their financial flexibility and ability to adapt quickly to changing circumstances to seize new opportunities in times of crisis. This could mean that they enter markets with less competition or focus on niche markets that become more important during the crisis. The family's close ties to the company can also lead to a stronger identification with the company's long-term goals and values, which can be an advantage in uncertain times (Jarchow et al., 2023). In the context of family businesses surviving in an ever-changing environment is a major challenge especially for their longevity. Navigating effectively in disruptive environments is closely linked to the coherence of strategy and/or identity. Ensuring consistency between strategy and identity is essential for the survival of the company, as discrepancies between these two factors can lead to discontinuous change. Within the framework of strategy-identity-inconsistency, the historical narrative of the family business emerges as a crucial tool for coordinating and structuring the reconfiguration of its business strategy and identity (Bövers &. Hoon, 2021). In this regard, the concept of innovation through tradition (ITT), introduced by DeMassis et al. 2016 can be examined. This strategic approach advocates for the utilization of historical knowledge while driving innovation. In their paper they illustrate how a deep connection to tradition can foster innovation and competitive advantage.

The Covid-19 pandemic triggered the intensification of research in the field of large exogenous shocks and their impact on businesses worldwide (Amore et al., 2022). New and distinctive challenges occur due to the aftermath of the Covid-19 pandemic for companies and their management teams. Prior literature in the field of company’s reactions to challenges emerging from crisis provide guidance in order to deliberate further on this topic and offer new approaches to solutions in terms of exogenous shocks (Puthusserry et al., 2022).

In the context of the consequences of the Covid-19 outbreak and the new circumstances that arose from following crisis room is given to further investigation, especially in the realm of family business, as they represent the most common type of business unit (Soluk et al., 2021). The authors De Massis and Rondi argue in their paper ‘Covid-19 and the Future of Family Business Research’ (2020) the urgency for such further research in the area of family firms and their future perspectives based on different criteria arising from the Covid-19 aftermath.

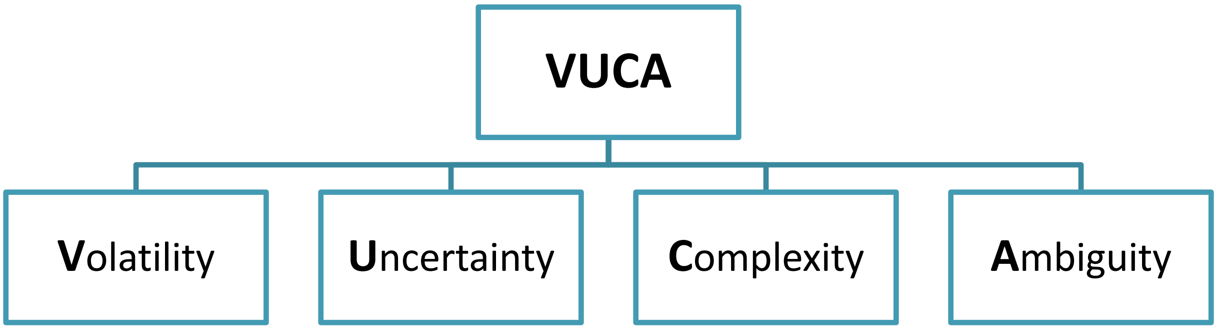
In this respect, this thesis intends to shed more light on the complex relationships between family businesses, their internationalization strategy and global crises. The aim is to develop a deeper understanding of how these companies operate in challenging times and what factors influence their decisions when it comes to pursuing international markets.

2.1.4 The Family Business in Disruptive Times

Major exogenous shocks cause disruptions not only in business practices but also in personal daily lives of the people around the globe. In recent times, there has been a growing focus on the concept of "black swans" – i.e. an infrequent occurrence with significant consequences or as an indication of an exceptional and surprising event relative to our current understanding – concerning risk management and decision-making in uncertain environments (Aven, 2018). A central issue at hand revolves around whether the conventional tools of risk assessment and probability theory can effectively encompass these black swan occurrences (Aven, 2013). The inherent unpredictability and uncertainty associated with such occurrences pose significant challenges for companies in terms of risk management and analysis, rendering their anticipation and prediction nearly impossible (Paté-Cornell, 2012). A recent event that can be titled as “black swan” is the global Covid-19 pandemic. By destabilizing institutional conditions and subsequently leading to disruption of the economy and health care system (Kumar, 2020). Forcing institutional systems to change and adapt to the new circumstances by imposed regulations to counteract potential harm.

Within this scholarly context, it is crucial to allocate additional focus on a specific term, namely VUCA. The expression emerged during the 1990s in response to the geopolitical landscape characterized by the Cold War between the United States and the former Soviet Union. As an acronym, VUCA represents the four fundamental elements of *Volatility, Uncertainty, Complexity, and Ambiguity*. It served as a conceptual framework to comprehend the profound shifts and upheavals that followed the conclusion of the Cold War. Subsequently, it became a descriptive expression for the existence of a world marked by volatility, uncertainty, complexity, and ambiguity. This new world order posed significant challenges and necessitated a reevaluation of established approaches to decision-making and strategy formulation in order to effectively navigate the turbulent and unpredictable environment (Sinha & Sinha, 2020). Family businesses, like other companies, must adapt to the volatile and uncertain business environment. Changing market conditions, economic fluctuations and geopolitical uncertainties can have an impact on family businesses and require them to be flexible and responsive. In this context a connection between the before mentioned socioemotional wealth and VUCA can be found, saying that such an environment makes family businesses more “SEW intensive” i.e., a firm places a strong emphasis on preserving and improving socioemotional wealth as well as more "SEW-sensitive" meaning that the firm is highly responsive to external factors relevant to socioemotional wealth (Gomez-Mejia et al., 2023).

Figure 3: VUCA-Illustration



Source: based on Van Tulder et al. (2019)

Connecting the importance of VUCA and international business, organizations operating in the global marketplace must recognize that the unpredictable and rapidly changing nature of the VUCA world necessitates agile strategies and adaptive approaches to effectively navigate international business environments.

Multinational corporations, operating across different countries, commonly encounter increased levels of volatility and uncertainty owing to the inherent nature of their business activities. The presented table offers a comprehensive overview of the respective terminology, providing a cohesive linkage to the context of international business.

Table 2: Understanding of the VUCA Terminology in an International Business Context

VUCA	Description of the term	Linkage to the context of IB
Volatility	Change that is regular and occasionally unpredictable, despite the fact that information is available, and the situation is understandable.	• Foreign exchange fluctuations • Geopolitical risks • Stock market risks • Macroeconomic instability • Global emergencies • Unpredictable markets
Uncertainty	It is recognized that there is a link between the event and its consequences, but there is uncertainty about the extent or scope of these consequences.	• Potential competitors in the domestic industry • Trade-related unpredictability • Currency-related uncertainty • Uncertainty in the environmental context • Technology-related uncertainty • Uncertainty in management practices • Cultural divergence • Collaborative ventures and strategic partnerships
Complexity	A complex web of information and processes with many interconnected pieces; frequently multifaceted and complicated, but not always requiring change.	• Regulatory divergence and administrative disparity • Complexity in an institutional environment • Complexity of global operations • Complex interdependencies
Ambiguity	Lack of understanding of the "basic rules of the game"; there is no precedent for making predictions about what will happen, and cause and effect are not comprehended.	• Entry into emerging markets • Ambiguity in cause-effect relationships • Ambiguity in knowledge acquisition • Relationships characterized by ambiguity • Cultural values

Source: based on Bennett & Lemoine (2014); Van Tulder et al., (2019) Another macroeconomic shock was caused by the armed conflict between Ukraine and Russia starting in February 2022. This situation led to another economic downturn in global supply chains, causing inflation rate to rise and subjecting the world to novel circumstances. The Russian invasion in Ukraine has substantial global repercussions leading many countries to suffer from significant economic impacts (Ruta, 2022). Additionally, the conflict prompted a reallocating of international trade and energy policies, especially in Europe, as nations sought alternatives to Russian energy supplies, thereby encountering short-term economic strains and logistical challenges (Zhang et al., 2023).

This exogenous shock serves as a prime example of how the VUCA framework can be applied. The situation demonstrates *volatility* through rapid disruptions in global supply chains, causing fluctuating markets and inflation; *uncertainty* arises from unpredictable geopolitical tensions and sanctions; the intertwined challenges of reallocated trade and energy policies add *complexity*; *ambiguity* is clear from the uncertain and unprecedented nature of the crisis. There's a lack of clear information, which makes it difficult for policymakers and businesses around the world to formulate well-grounded strategic decisions.

2.1.5 Family Business in the New Normal

The broader understanding of the New Normal in business research often encompasses adapting to and managing change resulting from disruptive events such as global financial crises or pandemics. It implies a departure from previous business practices and strategies, leading to a period of adjustment in which companies, including family businesses, must navigate a landscape characterized by new challenges and opportunities. This often requires a reassessment and change of business models, the introduction of new technologies and the redesign of organizational structures and strategies to remain resilient and competitive in a changing economic and social environment. Occurrences like a global pandemic or war in Europe place the business realm, alongside the global community, into unknown circumstances leading to a New Normal. It represents a transitional phase towards a post-pandemic era, where individuals and societies adapt to the lessons learned and the transformed landscape brought about by the crisis (Hitt et al., 2021). Moreover, the New Normal isn't solely confined to the pandemic context but extends to various global challenges, from climate change to geopolitical shifts. It serves as a reminder that adaptability and forward-thinking are keys to survival and progress in a world where change is the only constant. In the ever-changing business environment, the concept of the New Normal acts as a beacon, lighting the path towards adaptability and flexibility for the future. It underscores the importance of resilience in overcoming unexpected challenges, encourages a culture of innovation to stay ahead in dynamic markets, and emphasizes the necessity of proactive measures to mitigate risks and uncertainties (Hidayat et al., 2021).

The existing research on how the Covid-19 pandemic affects family businesses provides a general overview, but there is a distinct need for more in-depth investigations. While this initial body of work offers a foundational understanding of the pandemic's early impact on family-owned firms, it leaves many critical questions unanswered. These questions revolve around the nuanced responses, adaptive strategies, and long-term consequences that family businesses are facing due to the pandemic. Furthermore, next generations must adopt a forward-looking perspective to adjust to the New Normal created by exogenous shocks (Lévesque & Subramanian, 2022).

Likewise, when it comes to the ongoing Russia-Ukraine conflict, a notable research gap is evident. To date, there's a lack of scholarly attention devoted to examining how this geopolitical turmoil influences the international expansion efforts of family firms and, consequently, how it shapes their unique organizational characteristics. The impact of this gap extends beyond academia, as real-world family businesses are currently dealing with the substantial effects of this complex geopolitical situation. It's essential to comprehend how they are responding, and how resilient they are in this context.

Therefore, it's essential to recognize that the identified research gap isn't confined solely to the Covid-19 pandemic but extends to encompass the ongoing geopolitical instability and the resulting effects (e.g. rising inflation and energy prices). As family businesses navigate these challenging times, there is a growing need for thorough empirical research to guide their decisions. Such research holds the promise of providing practical insights that can aid both family business practitioners and academic scholars in comprehending and effectively addressing the multifaceted challenges posed by these interconnected and unprecedented circumstances.

2.2 Assemblage Theory

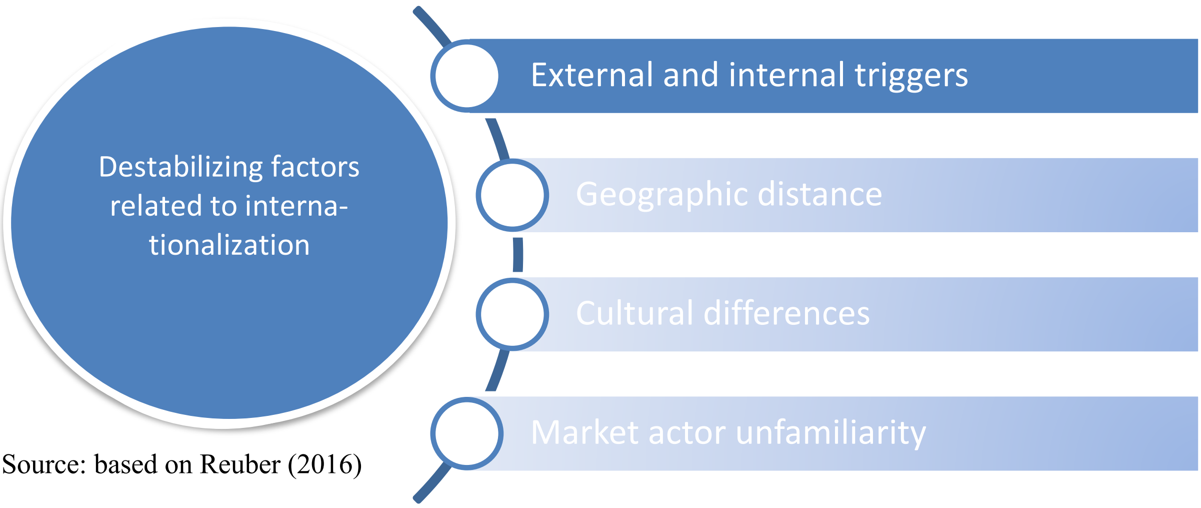
Despite the increasing knowledge about family businesses internationalization, this field of research is still working to combine the fragmented findings. Researchers are identifying inconclusive aspects in existing literature and striving to develop new theoretical frameworks to address the gaps in the research (Pukall & Calabrò, 2014). In the context of this master's thesis, a fresh perspective is shedding light on how family businesses navigate the complexities of internationalization while operating within disruptive times and uncertain environments. So, in order to provide a theoretical framework for this thesis, the Assemblage Theory is adopted as a guiding perspective. After a detailed examination of various theories in connection with the internationalization of family businesses, the Assemblage Theory is used and explained in detail in the further course of this work. Additionally, clarification is given why this theory forms the basis of this thesis. But before discussing the theory used, a retrospective analysis of previous research in this area is provided.

Gilles Deleuze and Félix Guattari (1988) referred in their work "A Thousand Plateaus" to their rejection of hierarchical and linear ways of thinking in favor of a rhizomatic approach i.e., a complex process of sense-making to which each individual brings their own context and has their own needs. They suggest that reality is better understood as a multitude of interconnected and non-linear plateaus, rather than a single hierarchical structure. It is important to note that while Deleuze and Guattari's "A Thousand Plateaus and Assemblage Theory" have a connection through their emphasis on non-hierarchical and non-linear thinking, Assemblage Theory itself is an independent development and further elaboration of their original concepts. Both works share an interest in non-hierarchical and rhizomatic thinking and emphasize the relationality and complexity of social phenomena, but assemblage theory extends these ideas and provides a more specific framework for analyzing assemblages and their dynamics (Deleuze et al., 1988; DeLanda, 2006).

In Reuber's paper (2016) titled "An Assemblage-Theoretic Perspective on the Internationalization Processes of Family Firms," she explores the concept of Assemblage Theory as a novel lens putting the focus on how internationalization can disrupt established logics and routines of family businesses. In this way, the Assemblage Theory offers an opportunity to analyze and comprehend the complex interactions and formations of different entities, elements, and forces within a given context. By examining how various elements, actors, and contexts come together and interact to create emergent properties and outcomes, the Assemblage Theory, a theoretical framework that emerged in recent years, offers a novel approach to understanding the complex dynamics of social, economic, and organizational systems. In this perspective, it is acknowledged that family firms possess distinct characteristics and are shaped by the values, goals, and dynamics of the family, along with strategic and economic factors related to the business. The perspective explores how the interplay between family dynamics, decision-making processes, and external impacts influence the internationalization strategies and outcomes of family firms (Reuber, 2016). With the work of Reuber, an augmentation of previous literature in the realm of assemblage theory is given and shedding new light on internationalization of family firms.

In the context of this work, the provided framework presents a conceptual model of family firm internationalization using an Assemblage Theory lens. It identifies four factors that can disrupt family firm logics and routines during the initiation of international activities: incoherent triggers for changes in international activities, increased geographic distance, heightened cultural diversity, and unfamiliarity as a market actor. These factors increase the heterogeneity within the family firm assemblage by establishing ties with new assemblages. The passage suggests research opportunities in investigating these destabilizing factors and how they vary across different family firm assemblages. Additionally, exploring processes that restore coherence among assemblage components and their impact on subsequent internationalization triggers presents further research possibilities (Reuber, 2016).

Figure 4: Destabilizing Factors



Source: based on Reuber (2016)

The depicted figure displays four factors that may induce destabilization concerning a firm's internationalization activities. Within the scope of this master's thesis, emphasis is placed on the significance of external and internal triggers, while providing an elucidation for the limited prevalence of the remaining factors in the specified context.

2.2.1 External and Internal Triggers

In the context of a firm's internationalization, various factors, whether originating externally or internally within the company, can significantly impact the stability of a family-owned enterprise. The following table displays a few examples that can influence the stability of the family firm assemblage (Reuber, 2016).

Table 3: External and Internal Triggers

External Triggers	Internal Triggers
• Announcement of a new agreement opening the home market for foreign competitors	• Influence of the next generation of family leaders
• Meetings with prospective partners from foreign countries	• Involvement of external directors
• Unexpected orders from foreign countries	• The participation of external investors
• A change in demand	• A gap between the company's goals and actual performance

Source: based on Reuber (2016)

In Assemblage Theory, the impact of triggers on a family business depends on how well they align with the existing beliefs, resources, and practices. Mismatched triggers often lead to conflicts and inaction. Existing research on internationalization mainly focuses on individual actors within a firm. From an Assemblage Theory perspective, there's room to explore how diverse groups within family businesses respond to triggers. Additionally, it's essential to study how and why firms exit international markets and how they reorganize afterward (Reuber, 2016).

In this master's thesis, a connection is made based on Assemblage Theory, with a focus on examining the adaptability of the internationalization strategy of family businesses in response to exogenous shocks. In particular, the idiosyncratic nature of family businesses is considered in order to provide new insights in this area.

2.2.2 Other Destabilizing Factors

Beyond external and internal elements, additional factors impacting the family assemblage's stability will be examined comprehensively. Additionally, a clarification is presented to justify their reduced relevance to this master's thesis. As previously depicted in figure 4 those other factors mentioned are the geographic distance, cultural differences, and market unfamiliarity.

<u>Geographic distance:</u> A company's multinational character can be outlined into two key elements: its scale, implying the depth of its involvement, and its geographic scope, signifying the breadth of its international engagement. Both dimensions face different challenges within the realm of multinationality (Arregle et al., 2017). Considering the geographic distance and in particular expanding the geographic scope of family firms a complex set of challenges can be present. Such expansion can disrupt the established dynamics within these

firms, primarily due to physical and temporal separations that hinder effective communication, information flow, and monitoring. This shift can also alter the firm's sense of community, potentially moving it from a local to a national or global scale. While participation in international organizations can offer opportunities, it may strain the firm's connection to its local heritage, affecting its strategies. In this context, managing personnel across different locations becomes crucial and often involves relying more on non-family specialists. Furthermore, shared socialization opportunities may diminish, impacting the firm's internal dynamics. This can also exert an influence on the succession strategies of the family enterprise, consequently impacting the overall stability of the organization (Reuber, 2016).

In addition, cultural differences can have a crucial impact on the stability of the family business, especially when combined with the business' efforts to expand its geographical reach. Hence, cultural differences impact family firms during internationalization. Greater cultural distance can pose challenges, influencing perceptions of "foreignness" and language proficiency.

Internationalization can unsettle family businesses as they are unfamiliar with new markets, which leads to tensions between the parties involved. Establishing trust and relationships in foreign market networks is time-consuming and costly. Family firms must be appealing network partners, requiring them to demonstrate innovativeness and trustworthiness through governance. Strong family firms in foreign markets can attract high-quality partners, reducing cultural differences, but adjustments may destabilize existing routines. Understanding these shifts in family firm dynamics during internationalization is vital (Reuber, 2016).

In this master's thesis, factors such as geographic distance, cultural differences, and unfamiliar new markets are accorded less significance. This decision is driven by the thesis's focused research objectives, resource limitations, and the identification of a unique research niche within family firm internationalization. The aim is to provide specialized insights and practical recommendations that align with the thesis's specific research scope and theoretical framework.

The following chapter presents the case study of the family business Internorm. Starting with the historical background of the family business, the corporate structure and strategic realignment as well as the growth and continued existence of the family business in disruptive times.

3 Background of the Family Firm Internorm

The company Internorm is the leading window brand in Europe. They offer their customers highly heat-insulating windows and doors to their individual requirements. Internorm is continuously doing research on windows and doors by developing new technologies for even more safety, comfort, and energy efficiency.

Internorm's product range extends from windows to doors, with new products and technologies constantly being developed to offer even more comfort and security.

Figure 5: Examples of Windows and Doors

Source: www.internorm.com/de-at/ (2024)

Internorm is an innovative window manufacturer that has been a pioneer of UPVC window technology in Austria since 1963. The company is consistently committed to the production and continuous further development of UPVC windows, thereby contributing to significant progress on the window market.

Figure depicts the three different material combinations for windows offered by Internorm.

Figure 6: Windows – in Different Material Combinations

Source: www.internorm.com/de-at/produkte/fenster (2024)

3.1 Historical Background

Internorm's origins trace back to 1931 when Eduard Klinger senior, the founder of the building and construction company Klinger in Linz, Upper Austria, ventured into the construction of plastic windows, a pioneering move at a time when plastic was not commonly used in construction. The company expanded, and in 1966, the UPVC window factory was established in Traun, Upper Austria. It was during this period that the brand **Internorm** was officially born.

In 1967, the second generation, comprising Eleonore, Eduard, and Helmut Klinger (children of Eduard Klinger senior), joined the family business (now Internorm), each holding a 25% stake in the company. The company continued to grow and innovate, introducing revolutionary window systems. In 1983, they expanded internationally by exporting their products to neighboring countries such as Germany, Italy, and Switzerland. Additionally, they acquired shares in the Campen A. S., Bursa company in Turkey, further expanding their global footprint (Internorm International GmbH, 2021).

In 1997, the third generation, consisting of Anette Klinger, Christian Klinger, and Stephan Kubinger, took over the management board. The second generation transitioned to the supervisory board of directors. This generational shift demonstrated the family's commitment to continuity and maintaining the company's values and traditions.

In 2002, Internorm made significant changes in its corporate structure. They founded the IFN - Internationales Fensternetzwerk (International Window Network) as a new umbrella company to oversee all corporate entities. The brand Internorm was established as a separate business unit, emphasizing its significance and independence within the group.

As of 2021, Internorm celebrated its 90th anniversary and reflected on its remarkable journey. Over the years, the company has produced and delivered over 26 million windows and doors from its production plants in Traun, Sarleinsbach, and Lannach.

Today, Internorm stands as the leading window brand in Europe, renowned for its commitment to providing highly heat-insulating windows and doors tailored to individual requirements. The company's dedication to research and development has led to the continuous development of new technologies that enhance safety, comfort, and energy efficiency.

With over 1.300 distribution partners in 21 countries and 2114 employees, Internorm provides reliable advice and support for renovations or new constructions. Internorm remains a family firm, and it is 100% owned by the Klinger family. Their slogan, "Alles spricht für Internorm" ("Everything speaks for Internorm"), reflects the brand's core values, including quality, innovation, trust, design, security, and proximity. These values have guided the company's growth and success throughout its history.

Figure 7: Sales Offices & Distribution Partners of Internorm

Sales Offices & Distribution Partners

Austria
Germany
Switzerland
Italy
France
Slovenia
Hungary
Slovakia
Czech Republic
United Kingdom

Distribution Partners

Luxembourg
Liechtenstein
Belgium
Greece
Ireland
Netherlands
Romania
Poland
Portugal
Croatia
Spain
Australia
New Zealand
Canada
China

Source: Pressinformation Factsheet Internorm International GmbH (2023)

In conclusion, Internorm's journey from a small carpentry workshop to a leading window brand in Europe is a testament to its enduring commitment to quality, innovation, and family values. With a strong focus on energy efficiency and sustainability, Internorm continues to shape the window and door industry and serve customers across Europe and beyond through its extensive distribution network of over 1,300 partners in 21 countries (Internorm International GmbH, 2021).

Figure 8: The Third Generation Christian Klinger, Anette Klinger and Stephan Kubinger

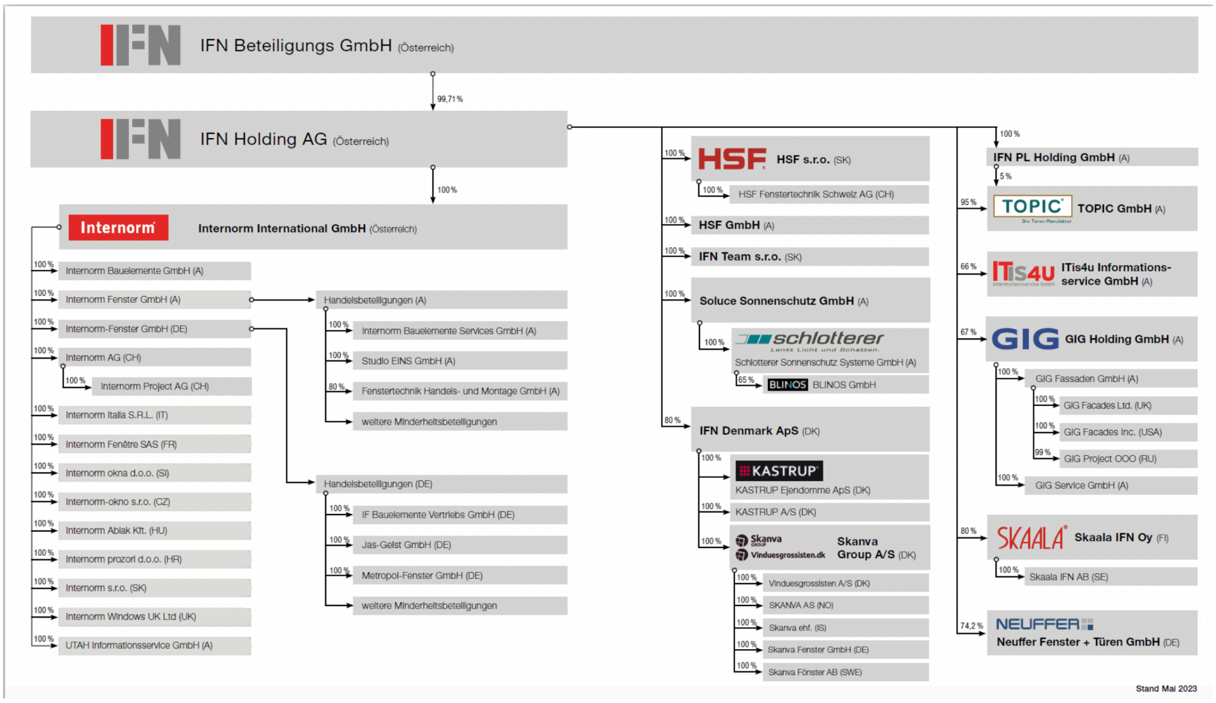
Source: www.internorm.com/de-at/unternehmen/philosophie (2023)

3.2 The Corporate Structure of the IFN Beteiligungs GmbH (Austria)

Internorm established the IFN group in 2002, incorporating the brand Internorm as its flagship within this new umbrella organization. The IFN group of companies, (100% family-owned by family Klinger) sees itself as a network of strong partners for complete solutions in the areas of windows, doors, facades, and sun protection. The brand alliance, consisting of the companies Internorm, Schlotterer, GIG, and Topic, all based in Austria, HSF from Slovakia, Kastrup and Skanva from Denmark, Skaala from Finland, as well as Neuffer based in Germany, offers specialized solutions for the intelligent building facades of the future.

In order to provide a comprehensive and detailed overview of the organizational framework, the following figure illustrates the corporate structure of IFN Beteiligungs GmbH (Austria). This figure has been designed to show the connections and relationship dynamics between the various units within the company. It outlines in detail how the associated companies are intertwined and shows the complexity and synergies that make up the corporate architecture of IFN Beteiligungs GmbH (Austria). In the following of figure 9 the IFN companies are explained in detail, the information was taken from IFN's press release from May 2023, which contains the latest facts and figures.

Figure 9: Corporate Structure of IFN Beteiligungs GmbH (Austria)



Source: www.ifn-holding.com (2023)

Internorm underpins brand leadership

As Europe's leading window brand with 1,300 sales partners in 21 countries, Internorm increased its turnover by 16% to EUR 488 million in the 2022 financial year, with an export ratio of 62%. Its core markets are Austria, Germany, Italy, Switzerland, France and the UK, followed by Eastern European countries. With its established mix of uncompromising quality standards and innovation, Internorm will continue to secure its position as Europe's leading window brand.

HSF scores on export markets

HSF, the specialist for PVC-U and aluminum products, focuses primarily on exports. The Slovakian manufacturer has its main sales markets in Switzerland and Austria. In addition to windows and doors, the company also manufactures special solutions such as fire and smoke protection products as well as lift and slide elements and portals. HSF recorded a 26 percent increase in turnover in 2022.

Door manufacturer Topic focuses on handcrafted production

The Topic entrance door manufacturer has been producing individual premium products for 47 years: Doors by individualists for individualists. The door manufacturer based in Sarleinsbach, Upper Austria, combines the highest security standards with modern design requirements in high-end quality and holds numerous patents and design protection rights. Topic currently scores with cutting-edge door designs made from unsealed, 300-year-old oak and Himalayan stone. Technical expertise and meticulous craftsmanship are combined in the company's own forge and glaziery.

Schlotterer expands its market leadership

Schlotterer, the Austrian market leader for external sun shading, further expanded its position with an increase in turnover of over 15 percent. The importance of sun protection to prevent overheating in summer and of insect protection is increasing. Thanks to the continuous expansion of the company's site in Adnet and extensive digitalization measures, Schlotterer is ideally placed to take advantage of the excellent order situation. Schlotterer is continuing its development into a high-tech company and is currently planning to expand its plant.

GIG implements prestigious large-scale projects

The realization of outstanding façade solutions for top international architecture is the core business of the Upper Austrian façade specialist GIG. The innovative façade solutions originate from the company's own development department. Numerous award-winning projects and collaborations with internationally renowned architects and planners attest to the high level of expertise of the "facade forge" GIG. GIG's core markets are in Great Britain, Ireland, Austria and Germany.

Good development at Kastrup

Kastrup, which has been part of the Group since 2015, has recorded stable, consistent growth in its core market of Denmark. Following strong sales growth in the last three years, Kastrup grew by a further four percent in 2022 and is now the fourth-largest manufacturer of windows and doors in the classic, modern and typically Scandinavian architectural style in Denmark.

Skaala on the upswing after restructuring

Skaala has been part of the Group since 2017 and offers window and door solutions for the Finnish and Swedish markets. With innovative and energy-efficient products, the manufacturer is one of the leading window brands in Finland. Skaala has been undergoing a restructuring process since the acquisition. The organization was reorganized and the necessary management structures were created. This has been reflected in continuous sales growth since 2019 - Skaala grew by a further 17 percent in 2022.

Skanva strengthens IFN's online business in Scandinavia

In summer 2020, IFN Holding acquired 80 percent of the shares in Skanva Group A/S. Skanva operates exclusively in the online business for windows and doors in the markets of Denmark, Norway, Iceland and Germany. In 2022, sales declined for the first time since the acquisition due to the effects of the Russia-Ukraine crisis.

Neuffer expands online trade in Central and Western Europe

The importance of online retail has increased once again since the outbreak of the coronavirus pandemic in 2020 and has long since reached the window and door industry. In order to further expand its lead in this area, IFN-Holding AG acquired 74.2 percent of Neuffer Fenster + Türen GmbH at the beginning of 2022. Founded in 1872, the Stuttgart-based company is Europe's leading online retailer and offers windows, doors and sun protection via stores such as fensterversand.com, fensterversand.at, fenetre24.com and windows24.com. The acquisition of Germany's number one online window retailer was the next logical step in IFN's growth strategy.

The International Window Network (IFN) increased its turnover in the financial year by around ten percent to EUR 861 million in the 2022 financial year and operating performance by over 17 percent to EUR 875 million. The leading European group of companies for complete solutions for windows, doors, façades, and sun shading comprises nine companies across Europe: Internorm, Topic, GIG, HSF, Schlotterer, Kastrup, Skaala, Skanva and Neuffer. With EBIT amounting to EUR 52 million, equity grew by eleven percent and now stands at EUR 312 million. The record investments of EUR 100 million last year underline the Upper Austrian company's willingness to grow and its and future orientation of the Upper Austrian family group.

3.3 Strategic Response and Growth of the Company

In the following sections, the impact of current geopolitical events on IFN and the company's commitment to a value-driven approach will be examined. Subsequently, the focus will shift to IFN's future outlook, considering its strategic response to these geopolitical challenges and its commitment to sustainable growth and innovation. Furthermore, it highlights IFN's commitment to ethical principles in these challenging times and highlights corporate responsibility in a complex geopolitical landscape.

3.3.1 Consequences of Russia's Aggression: IFN Companies Withdraw

The effects of Russia's aggression are being felt economically, but the consequences are based on a clear stance by IFN Holding: "We are withdrawing from Russia and Belarus with all IFN companies. The development of the Russia-Ukraine crisis last year was also very surprising for us. There is no question that we are drawing clear lines in line with our values," emphasizes Johann Habring. As a result, the Belarusian Skanva production facility in Borisov is currently being liquidated. Skaala production in St. Petersburg is already in the process of being sold and GIG's Russian sales company is dormant. IFN co-owner Christian Klinger adds: "We are adhering to what is morally right and also to what the policy stipulates."

3.3.2 The IFN Family is Growing and Focus on Austria as a Production Location

The IFN Group's strong market position and financial strength have not only led to an increase in turnover. The number of employees increased by 133 compared to the previous year. In 2022, the network had 4,215 employees, 71% of whom were based in Austria. "We are proud that the IFN family is growing steadily and that we are strengthening Austria as a business location in particular," says IFN co-owner Klinger.

3.3.3 Confident about the Future Thanks to High-Quality and Differentiated Offering

After a satisfactory first quarter, IFN Holding expects a slight decline in sales for 2023! "Even in the current very challenging times, we remain optimistic, and our goals are ambitious. Thanks to our excellent and hard-earned market position, we are looking positively to the future in the medium term, which for us is clearly characterized by the climate transition. We offer the entire product range for intelligent and energy-efficient buildings in our network. This broad, innovative, and high-quality range gives us a structural market advantage throughout Europe, which we want to use for our further growth," summarizes IFN company spokesman Christian Klinger.

The following chapters focus on the methodology used in this master's thesis, which provides an insight into how the research was conducted. In addition, the empirical results of the case study are presented, providing a detailed analysis of the findings and their implications. Through a comprehensive examination of both the methodology and the empirical data, this thesis aims to provide a thorough understanding of the topic and contribute to the existing body of knowledge in the field.

4 Methodology

This chapter deals with the presentation, analysis, and evaluation of the results of the empirical study. In the following subchapters, the aim of the study is discussed, as well as the chosen survey method for the expert interviews and the research design. Furthermore, the exact structure of the questionnaire as well as the generation of the research question will be explained, and the process of the empirical evaluation will be explained. Subsequently, the results are described, the research question answered and summarized.

4.1 Aim of the Study

This research aims to bridge theory and practice by integrating expert insights and opinions from specialists within a family-owned company to analyze the influence of the idiosyncratic character of a family-owned large enterprise on their internationalization behavior in the aftermath of major exogenous shocks. It seeks to explore how family businesses deal with exogenous shocks and align with real-world responses and strategies employed by family businesses, like the Internorm Group, in the face of challenges such as the Covid-19 pandemic and geopolitical conflicts. By linking theory and practice, the research aims to generate valuable insights that can inform decision-making and strategies for family businesses dealing with similar exogenous shocks and internationalization pressures.

4.2 Sample strategy and Research Design

The master thesis draws primarily upon qualitative data, employing in-depth interviews as the principal research method. Additionally, secondary data sources are incorporated to enrich the analysis.

In-depth interviews are chosen for their ability to provide rich, nuanced insights into complex phenomena like family business behavior during exogenous shocks. Offering flexibility, they allow researchers to explore participants' perspectives deeply, enhancing contextual understanding. Rigorous execution ensures validity and trustworthiness, making it possible to capture the complex dynamics of family businesses in challenging environments. A qualitative approach brings both advantages and limitations. In this type of data collection there is the possibility to focus on specific personal perceptions, experiences, and attitudes. The interaction with the interviewee enables new insights and knowledge to be gained in certain areas, which cannot be explored without personal contact (Curran and Blackburn, 2001). Limitations of a qualitative method are that this type of information gathering is more resource and time consuming. Here the time span should be considered and structured concretely. The data collection is based on 10 interviews and thus implies limitations in the research area.

The selected case study is Internorm, an exemplary case study for investigating family businesses' internationalization strategies within disruptive global events such as the COVID-19 pandemic and the Russian-Ukraine war. As a family-owned company with a strong international presence and a history of innovative leadership in the window manufacturing industry, Internorm offers valuable insights into how family businesses navigate and adapt to challenging geopolitical and economic environments. By examining Internorm's experiences and responses to these disruptive dynamisms, this thesis can shed light on effective strategies employed by family businesses to maintain resilience, sustain growth, and pursue international expansion in times of uncertainty.

This thesis draws upon both secondary and primary data sources, with interviews serving as a key primary data collection method. The qualitative approach enables the acquisition of unique insights not accessible through publicly available materials. These interviews are expected to provide deeper and exclusive insights into the family business and its operations that are not found elsewhere.

To conduct this master's thesis, the initial step involves gathering knowledge from secondary data sources, which is then complemented by primary data obtained through interviews. Subsequently, in the data analysis phase, the findings derived from the case study will be scrutinized and contextualized within the existing body of literature.

The knowledge of this master thesis shall be used to close the research gap between the newly acquired know-how and the already existing literature. In addition, future research in this realm is necessary for explaining and exploring the current events even further and thus providing family businesses with suggestions on how to cope in times of crisis.

In the pursuit of acquiring deeper insights through qualitative research methods, a distinct emphasis is placed on adopting a social constructivist approach. In this context the researcher is considered an integral part of the examination, rather than maintaining an objective and detached perspective. In addition, one should proactively engage in self-reflection and acknowledge the impact of one's own/personal perspective on the research design and analytical procedures. By taking this approach, authors do not intend to claim neutrality (Welch et al., 2011). In this context, the discussion refers to an interpretative research methodology that assumes that the reality perceived by people is inherently shaped and constructed by individuals within the social environment (Walsham, 1995).

4.3 Structure and Implementation of the Semi Structured Interview

The chosen approach for the development of the master thesis is based on the method of qualitative research using the "expert interview" or the "non-standardized questionnaire". In qualitative research, concrete provisions are made for data collection in order to overcome the disadvantages of quantitative questioning. Compared to a standardized questionnaire with given answer options, researchers act subject-oriented in qualitative interviewing. Two key characteristics of qualitative interviewing are smaller samples and thorough analyses of the data collected. A statistical presentation of the results is less useful, as it rather aims at an in-depth analysis. Advantages of qualitative interviewing arise on the one hand from the openness and an accompanying exploration of unsuspected research topics and on the other hand the renunciation of specifications in the non-standardized interview brings high validity with regard to the collected data (Graf et al., 2009).

4.4 Sampling – Single Case Study

In this section, the focus lies on sampling, a critical aspect of research methodology, with particular emphasis on its application in selecting a single case study. The section explains the definition and characteristics of a single case study approach, highlighting its significance in the context of the present thesis. By exploring the rationale behind opting for a single case study design, the section aims to highlight its relevance as a methodological choice in addressing the research objectives and providing in-depth insights into the object of study. As stated by Patton (2015), the process of case selection serves as the foundation for qualitative research, wherein varying strategies of selection can exert influence over both the research procedure and its outcomes. The concept of the unit of analysis clarifies the specific "what" or "whom" that constitutes the subject of study within a research inquiry (Fletcher et al., 2018).

Table 4: Unit of Analysis - the “WHAT” and the “WHOM”

In the context of this study, the unit of analysis is focused on	
The "WHAT" **refers to**	• The idiosyncratic character of a family-owned large enterprise • Major exogenous shocks • Their internationalization behavior
The "WHOM" **refers to**	• The family-owned large enterprise that is the subject of the study

Source: based on Fletcher et al., 2018

In qualitative case study research, sampling is important as it deals with the appropriateness, purpose and access to information-rich cases. From the review literature on this topic, it appears that researchers consider and try to identify sampling strategies to provide a basis for deciding on a purposive sample. Furthermore, in the process of selecting a sampling strategy prioritizing the consideration and anticipation of the elements that will enhance the credibility of the study. This includes providing a thorough explanation for the selection of the single case or cases and transparently presenting any limitations inherent in the study (Fletcher et al., 2018). In this context the sample size needs to be determined. Hereby various literature delivers different outcomes.

In the realm of researching the influence of a family-owned large enterprise's idiosyncratic character on its internationalization behavior following major exogenous shocks, the concepts of sampling and sample size play pivotal roles. The case study method of research focuses especially on understanding the nuances of a single scenario. Sampling is the methodological process by which a subset of this enterprise's operations or cases is carefully chosen to represent the larger population of interest (Eisenhardt, 1989). This selection process ensures that the insights gained from the study are both practical and manageable while being reflective of the diversity and complexity within the enterprise.

In the context of this research, the sample size is instrumental in determining the scope and depth of the investigation. A carefully considered sample size will allow for a robust exploration of how idiosyncratic family-owned business traits affect internationalization strategies during turbulent periods, ensuring that the findings are both statistically meaningful and practically relevant to the broader context of family enterprises facing exogenous shocks.

In this context, table 5 below provides a summary of the ten conducted interviews, presenting details about each respondent's position within the company, the interview date, duration, location, language used, and the number of transcript pages.

Table 5: Spreadsheet of the Interviewees

Respondent's	Position of the Respondent in the Company	Date of the Interview	Duration of the Interview	Place of the Interview	Language of the Original Interview	Number of Pages of Transcript
1	Family member, Supervisory Board	17.10.2023	~ 20 min	Via telephone	German	5
2	Family member, Supervisory Board	18.10.2023	~ 25 min	Via telephone	German	6
3	Family member, Supervisory Board	18.10.2023	~ 35 min	Zoom	German	6
4	Board of Director	17.10.2023	~ 25 min	Via telephone	German	7
5	Board of Director	17.10.2023	~ 40 min	Zoom	German	9
6	Management Internorm International	23.10.2023	~ 20 min	Zoom	German	8
7	Management Internorm International	25.10.2023	~ 20 min	MS-Teams	German	4
8	Management Internorm International	25.10.2023	~ 25 min	Zoom	German	8
9	Executive Management Internorm International	23.10.2023	~ 25 min	Zoom	German	5
10	Executive Management Internorm International	25.10.2023	~ 20 min	Zoom	German	4

Source: own illustration

4.5 The Gioia Methodology

After the interviews have been conducted, the following section takes a closer look at the data analysis and processing. The focus is put on the qualitative data analysis and the underlying methodology. In this context, the Gioia method is employed to facilitate a comprehensive and profound exploration of the qualitative data analysis.

Building on the basic insights gained from these interviews, the study now enters a critical phase in which the first interpretations and categorizations take shape. This marks the transition from the collection of raw data to its detailed examination.

In the initial phase of the research process, many terms, codes and categories of informants emerge that are similar to "open coding". In this phase of data collection, there may be a large number of first-order categories that make the data seem overwhelming. In the following steps, similarities and differences between the categories are sought and then reduced to a manageable number of categories. This allows to look for deeper structures in the data, which are then being analyzed in more detail in the second-order analysis using concepts that describe and explain the observed phenomena. This results in a series of first-order terms and second-order themes as well as aggregate dimensions, which provide us with the basis for forming the data structure. This process is intended to show how the raw data is processed into concepts and themes - a showcase for the rigour of qualitative research (Gioia et al., 2013, Nag et al., 2007).

The following table 6 depicts the first -order categories, second-order themes and the aggregated dimensions which were gathered through the analysis of the interviews.

Table 6: Gioia Methodology Analysis

Aggregate dimensions	Second-order themes	First-order categories
1. Family-led Identity & Culture of the Family Business	*Traditions and values*	○ Close relationship between the owner family and the company and its employees. ○ The focus is on long-term perspectives and values, not just short-term profitability. ○ The values of a family business have a positive effect on its image as an attractive employer. ○ Values and traditions take center stage and continue to develop. ○ Security of the brand and the workplace through tradition.
	Responsible corporate governance	○ Assumption of responsibility by the owners. ○ Sense of responsibility and further development by the owners. ○ Resilience through a stable core of employees and commitment to the owner family. ○ Sustainability as a characteristic of corporate management. ○ Decisions based on conviction, not just financial considerations. ○ The security that emanates from family businesses, especially in times of crisis, is seen as a strength. ○ The recommendation rate and good reputation as an employer are closely linked to the corporate culture and the role of the family.
	Cross-generational perspective	○ Development of the company over several generations with a clear focus on internationalization. ○ Involvement of different generations with an increasingly global mindset.

		○ Emphasizing the importance of decision-making structures, trust and support from owners and successive generations. ○ Far-sightedness in decisions that should drive the company forward internationally. ○ Challenges in different phases of family businesses, from the first to the fourth generation, are addressed.
	Family cohesion and stability	○ In times of crisis, the family moves closer together, which strengthens cohesion and consistency. ○ Long-term thinking and the preservation of values characterize decisions and dealings with employees. ○ Emphasizing that family businesses must consciously deal with family influences and imprints. ○ Clear rules and dealing with differing opinions within the family are crucial for success.
2. Crisis Management and Adaptation to Keep Business Continuity	*Operational continuity through partnerships*	○ Positive business development through long-term partnerships. ○ Supplier deliveries despite challenges. ○ End of business relationships due to disrupted supply chains. ○ Stockpiling as protection against potential bottlenecks. ○ Production standstill due to sudden supply bottlenecks must be prevented. ○ Problems in supply chains due to difficulties with partners in Russia and Belarus. ○ Communication with distribution partners as essential for the coordination of deliveries and compliance with government regulations. ○ Supply chain disruption and high price increases as main issues.
	Business continuity in disruptive times	○ Termination of business relationships in uncertain regions while targeting growth in Central Europe. ○ Short-term action and rapid adaptation to new circumstances. ○ Dealing with an unknown problem requires different approaches. ○ Cautious handling of the consequences of geopolitical events. ○ Termination of business relationships with Russia due to the worsening situation. ○ Responsible behavior towards stakeholders despite difficult decisions. ○ Convincing distribution partners to continue working to minimize impact on logistics. ○ Problem solving in the event of closed business premises and halted assembly work. ○ Formation of internal crisis teams for the continuous exchange of information. ○ Successful sourcing within Europe to avoid international supply problems. ○ Technological adjustments to ensure the ability to work.
3. Strategic Adjustments in Times of Crisis	*Adaptation of internationalization strategies*	○ Continuous adaptation of processes in order to be better prepared for unknown future events. ○ Adjustment of the internationalization strategy due to geopolitical events such as the Russia-Ukraine conflict. ○ The intelligent management of these challenges across several generations is crucial. ○ Need to rethink business relationships with countries with uncertain political conditions. ○ Survival strategy through broader internationalization and sticking to core competencies. ○ Focus on countries with potential for further growth and openness to change. ○ Maintaining quality and reliability as key parameters, even if this is not always the most cost-effective solution. ○ Consideration of energy and fuel issues in strategy design. ○ Emphasizing the importance of functioning processes, structures, and clear goal setting within the company.

		○ Different impact of the pandemic and the Russia-Ukraine conflict on internationalization strategy.
	Crises are part of the New Normal	○ Emphasizing that crises are part of the new normal and that cohesion and level-headedness are crucial. ○ Importance of not only coping with specific times of crisis, but also preparing for the "new normal" and planning for the long term. ○ Self-reflection on decisions made and the need to optimize internal processes. ○ Adjustments in capacity reservation and internal processes for improved crisis management. ○ Appeal not to be too aloof, to be down-to-earth and to listen to employees and markets. ○ Emphasizing the overall resilience and resilience of the business. ○ Recommendation to bring relevant people together (also virtually) and develop clear strategies. ○ Emphasizing the importance of crisis management and resilience in companies. ○ Use of tools such as crisis management manuals and regular review of processes to be better prepared.
	Emphasis on Flexibility and Quick Decision-Making	○ Need to respond flexibly to exogenous shocks while emphasizing long-term partnerships. ○ Flexibility and short distances to the owners allow to act and adapt quickly. ○ Experience shows that flexibility and openness to innovative approaches are crucial. ○ Flexibility to implement compelling ideas. ○ Quick decision-making options. ○ Recognizing the need to make well-structured processes more flexible. ○ Importance of quick and clear responses to crisis situations, including empathy towards employees.
4. Financial Strategies and Risk management	*Dealing with uncertainty and financial risk*	○ Philosophy of maintaining a high level of equity and large cash reserves. ○ Ability to realize projects even in uncertain times and to act anti-cyclically. ○ Confirmation that the decision to position oneself well with equity was the right one in times of crisis. ○ Warning not to become too complacent and to remain modest and agile. ○ Analyzing the cash situation and structuring finance. ○ Decisions regarding company operations and employee welfare must be made in the blue. ○ High interest rates, tightening of lending guidelines and noticeable drop in demand. ○ Difficulties in selling or retaining the company, with financial losses. ○ Often less financial risk for long-term decisions. ○ Stable employee retention and low rotation rates. ○ Important lesson learnt about the importance of a solid equity ratio and financial flexibility for unexpected events. ○ Clear separation between company assets and private assets as well as equity capitalization are named as important aspects.
	Risk management and competitiveness	○ Focus on risk management, especially preparing for unpredictable risks. ○ Emphasis on a permanent learning process in risk management, including ongoing improvements. ○ Importance of analyzing business models and assessing the risk situation, particularly in relation to unforeseeable factors. ○ Adaptation of tools and manuals to be prepared for new risks such as pandemics and wars. ○ Managing risks through price premiums and securing supply chains. ○ New experiences and uncertainty require structuring and organization.

		○ Importance of keeping the company and employees happy. ○ Difficulties due to activities in Russia and Belarus in an uncertain phase. ○ Challenges in working with partners in Russia. ○ The challenge of remaining competitive despite the consequences. ○ Security and sufficient reserves are considered crucial, especially in times of customer uncertainty and rising energy prices. ○ Recommendation not to swim with the mainstream, but to have a unique selling point.
5. Holistic Employee Management in Times of Crisis	*Employee loyalty in times of crisis*	○ In times of crisis, the loyalty of employees who value the company as a reliable employer is evident. ○ Efforts to retain employees despite difficult circumstances. ○ Emphasis on gradual, sustainable growth with strong, long-term employees. ○ Strength in employee cohesion, which promotes self-organization and quick adaptability. ○ Forgoing financial benefits is perceived as supportive for employees (This is seen as an important instrument for motivating employees and retaining them in the long term). ○ Use of unconventional measures, such as sending gifts to employees' front doors, to maintain a sense of community. ○ Creative measures such as sending packed lunches and virtual meetings to strengthen the sense of community. ○ Focus on strengthening the corporate culture, commitment to employees and values (e.g., joint lunches and personal closeness). ○ Retaining employees in difficult times strengthens employer branding. ○ Emphasizing the importance of employee profit sharing by distributing a portion of profits to employees.
	Strengthening cohesion through communication and transparency	○ Intensive exchange and communication in various media to stay connected despite online challenges. ○ Importance of regular employee surveys and transparent communication about business goals and results. ○ Actively approaching employees with information and measures to overcome challenges together. ○ A functioning communication policy that is open, honest and trusting is seen as crucial. ○ Form internal crisis teams and regularly share information with employees. ○ Personal involvement of owners in employee events to build trust. ○ Promoting employee engagement through (virtual) events. ○ Financial strength and the ability to forgo financial benefits to support employees. ○ Emphasizing the importance of adaptability and the ability to respond to the needs of employees.

Source: own illustration

This table is intended to provide a comprehensive overview of the results and in-depth findings from the interviews, which are grouped into the above categories. It serves as a compact representation of the rich qualitative data collected and provides a structured and easily navigable summary of key themes and findings. The process of categorization and the subsequent extraction of insights from the interviews are explored in detail in chapter five.

5 Empirical Results

Using the Gioia technique as a structured approach, the empirical findings from the analysis of the conducted interviews are presented in this part. Five aggregate dimensions were formed as a result of the research and were created by thoroughly examining 13 second-order themes that emerged from the underlying first-order categories (as shown in Table 6). By applying the Gioia method, the aim is to gain complex insights from the qualitative data, enabling to uncover nuanced patterns and themes that capture the essence of the phenomena under investigation (Gioia et al., 2013). In the following, the scope of these empirical findings will be analyzed by taking a closer look at the five aggregated dimensions and the key findings from the interviews and highlighting the multi-layered dimensions that have emerged in the investigation of the behavior of family businesses in disruptive times.

The data and results obtained are emphasized in the following sub-chapters with quotes from the interviewees in order to create a more dynamic picture.

5.1 Family-led Identity and Culture of the Family Business in Times of Crisis

The first aggregated dimension resulting from the analysis of the interviews looks more closely to the traditions and family values that are represented in the family business. Hereby giving a deeper understanding of what makes a family business different from a non-family business.

The **importance of values and traditions** in family businesses cannot be overstated. Family businesses often maintain a set of fundamental values and a distinctive organizational culture that mirrors the family's identity and convictions. These values have the potential to influence the company's ethical norms and interactions with stakeholders (Vallejo, 2008). These businesses foster a **close relationship** between the **owning family**, the **business** and its **employees**, creating a cohesive and supportive environment. Furthermore, values and traditions are not static but evolve over time, maintaining their core principles and thus ensuring the continuity and security of the brand and the workplace. In essence, the enduring commitment to values and traditions forms the foundation of family businesses and shapes their identity, culture, and success over generations (Erdogan et al., 2020).

The statements by the interviewees provide further support for the previously mentioned observations about family-led identity and culture of family businesses and specifically in **times of crisis**:

> *"From this perspective, I see the **values** of the family business as positive in **times of crisis** because they are now changing even more positively in the long term."; "[…] definitely a safe employer, especially in times of crisis, someone who represents the **values** and the **brand** […] Internorm is a strong brand, and that helps." – IP 7;*
> *[…] 90 years of **family tradition** will not be sold to just anyone, but handed over to the 4th generation" – IP 9;*

> *"The measures we had were clearly that when we had meetings that they took place online, and so we sent each participant a **packed lunch** and then we had a **meeting** as if we were **going out to eat** […] the employees enjoyed it and still felt that **connection with the company** and **other colleges** […]" – IP 6*

The data analysis from the interviews shows that nearly all of the interview persons agree that a family business is characterized by a close and lasting relationship between the owner family, the company and its employees. In contrast to some non-family businesses, which focus on short-term profitability, family businesses generally emphasize long-term perspectives and values. These values play a central role in shaping the company's image as an attractive employer, as they foster a sense of stability and commitment within the organization. In addition, the experts mentioned that a family business often attaches great importance to preserving and developing their values and traditions, which become an integral part of their identity. In this way, they not only ensure the security and longevity of their brand, but also create a sense of continuity and security in the workplace. This enduring commitment to values and traditions makes family businesses unique and resilient entities in the corporate landscape, with their particular culture and heritage serving as sources of strength and competitive advantage.

> *"The **possibility** of **short-term decision-making** and the decision finding […] we can really really quickly come to decisions […] which I believe **gives** some sort of **calm and security** to the company." – IP 1*

Unlike some non-family businesses that focus on short-term profitability, family businesses emphasize long-term perspectives and values. This focus not only contributes to the long-term stability of the company, but also strengthens its reputation as an attractive employer (Lumpkin et al., 2010). Providing **stability** and **support during challenging circumstances**, thereby establishing a consistent and reliable presence for all stakeholders involved. Furthermore, almost all of the respondents stated that the characteristic of a **long-term perspective** adopted by family firms is **one crucial part** that makes a **family business unique**.

> *"[…] we can focus on **long-term issues**." – IP 2; "what someone can say is, that the decision-making situations are **more long-term**, […] we can focus on developing **long-term issues**." – IP 7; "[…] when decisions are made, they are **not just short-term** things." – IP 10*

Additional factors contributing to the appeal of the family business as an employer include its **proximity to the owners**, a **strong sense of trust** derived from a commitment to long-term perspectives.

> *"Also, a **unique characteristic, at** the **cultural level** […] the **owners** are **very close to us**, also in terms of space, they are in the same building […] they sit together on a table with the **employees during lunch time**, and from resulting from this is the **constant proximity** to the **family**." – IP 8*

The assumption of **responsibility by the owners**, coupled with their **sense of responsibility and commitment** to further development, lays a resilient foundation for the business. This resilience is bolstered by a **stable core of employees** and the **commitment of** the **owner family**, reflecting sustainability as a symbol of corporate management. Family businesses often see themselves as stewards of their company's history, which can make them feel responsible not just for generating profit but also for taking care of their employees and the broader community (Le Breton-Miller & Miller, 2015). Decisions are guided by conviction rather than purely financial motives, leading to a **sense of security** particularly valuable in **times of crisis**. The **high recommendation rate** and **positive reputation** as an **employer** relate to the corporate culture and the pivotal role of the family. In family-owned businesses, other values often take precedence over profit maximization (Kano et al., 2020).

> *"I would say, a family business that is characterized through* ***taking responsibility****,* ***giving stability*** *and* ***security, looks*** *into the* ***future*** *and is therefore* ***not acting*** *in* ***short-term****." – IP 10*

As family businesses **pass down** from **one generation** to **the next**, the family's history significantly influences the succession process. This passing on of **non-economic values** aims to **strengthen loyalty** to the family business and promote positive motivations for future generations (Erdogan et al., 2020). In the context of a **cross-generational perspective**, the development of the company across successive generations emerges as a **critical factor**. Challenges within the family business can be effectively addressed by utilizing the unique potential inherent in each generation, particularly when guided by a clear emphasis on internationalization fostered by a global mindset.

> *"The* ***first*** *generation* ***built up*** *Internorm, the* ***second established*** *it in* ***German-speaking countries*** *and the* ***third internationalized*** *it. The perspectives are important, the* ***fourth*** *generation also* ***thinks very internationally*** *and* ***more globally****." – IP 9*

In **disruptive times** family firms are **more SEW intensive** as well as **SEW sensitive** (Gomez-Mejia et al., 2023) tending to **strengthen** their **internal cohesion** and **consistency**, driven by the close-knit nature of the family's involvement in the company. These businesses are characterized by their commitment to long-term thinking and the **preservation** of **core values** when making decisions and interacting with employees.

> *"[…] putting the* ***WE in the focus*** *and that was for sure a* ***strength****" – IP 6*

Handling family **influences** and **imprints** consciously is seen as **crucial** for their **success**. The establishment of **clear rules** and mechanisms to manage differing opinions within the family plays a **pivotal role** in maintaining **harmony**. Hereby, the **idiosyncratic character** of a family is seen as **strength** by all of the respondents stating that **cohesion** and **clear goals** with regard to the **long-term perspective** are **essential**, especially in **times of crisis**. *"[…]* ***definitely a strength****, because* ***coherence*** *and* ***self-organization*** *is* ***supported*** *[…] through* ***value conservation*** *und these* ***clear goals****, we knew what to do […] – IP 1*

5.2 Crisis Management and Adaptation to Keep Business Continuity

The second aggregated dimension is putting the focus on crisis management and adaptation in order to maintain the continuity of the family business. The gathered data indicates that fostering positive business growth is most attainable through enduring partnerships.

Family firms possess unique attributes that enhance their resilience during crises, such as survivability and human capital, strategic flexibility, patient financial investment, and a long-term legacy focus. Furthermore, the **robust relationships** and **networks** cultivated through family ownership, both **within** the firm and **externally**, play a crucial role in enabling family firms to navigate crises successfully (Calabrò et al., 2021). Furthermore, these following statements offer additional confirmation and real-world context in terms of **crisis management**, business adaptation and continuity. Maintaining effective communication with distribution partners is crucial for coordinating deliveries and ensuring compliance with government regulations. Nurturing **long-term partnerships** is essential for sustained success in business. By prioritizing these relationships, organizations can benefit from shared expertise, resources, and opportunities over time. Investing in partnerships **fosters trust** and **enhances communication**. Therefore, prioritizing efforts to sustain these valuable connections is an important factor in this context (Fernández & Nieto, 2005).

> *"That was the* ***big point*** *where we learned that these* ***long-term partnerships*** *also* ***pay off*** *[…]" – IP 5.*
> *"[…] of course we have to deliver a result, but on the other hand we are committed to* ***long-term cooperation*** *and* ***partnership*** *[…] we have certainly lost a lot of money, but on the other hand we have also gained* ***sympathy*** *and* ***cooperation****" – IP 6.*

Positive business growth is achieved by maintaining **long-term partnerships**, ensuring **consistent supplier deliveries** despite challenges and safeguarding against potential disruptions through stockpiling measures. However, disruptions in supply chains can lead to the **termination** of **business relationships**, which underlines the need to prevent production stoppages caused by sudden bottlenecks. Challenges in supply chains, particularly with partners in geopolitical conflict countries such as now Russia and Belarus, can further exacerbate problems (Srai et al., 2023). In this context, an in-depth discussion was conducted on the Covid-19 pandemic and the armed conflict between Russia and Ukraine. Various aspects associated with crisis management during these challenging periods were examined. This included topics such as terminating business relationships in uncertain regions while focusing on growth in Central Europe, handling the consequences of geopolitical events cautiously, and successfully sourcing within Europe to mitigate international supply issues.

> *"[…] we decided to **withdraw from the whole**, which is not easy, and we are still not fully out. We said OK, we will **terminate our business relations** with these **countries** [note: the reference is to Russia and Belarus] now immediately" – IP 4. "[…] in Russia, where the **cooperation was terminated**, […]" – IP 10;*
> *"[…] of course, you look at the **supply chain in particular**, although we are still relatively well positioned in this respect, i.e**. Europe-wide** […]" – IP 3.*

In this context, **effective communication with distribution partners** can be important for the coordination of deliveries and compliance with government regulations. Supply chain disruptions and significant price increases remain a major concern given this complexity.

> *"[…] I would say that we **announced** the **price adjustments** relatively **soon** and then took a long time to implement them and only realized them six months later, although we **already had** the prices in house and gave the **sales partner time** to **adjust** to them […]" – IP 6.*

Furthermore, the data revealed that prompt adaptation to new circumstances and short-term actions are imperative when confronting unfamiliar challenges. Effectively addressing unknown problems necessitates the implementation of diverse approaches. One notable strategy is the establishment of **internal crisis teams** dedicated to facilitating continuous information exchange within the organization.

> *"[…] we **immediately** built a **crisis management team** when Covid started" – IP 6-*

The majority of interviewees expressed that the aftermath of the Covid-19 pandemic and the conflict between Russia and Ukraine has led to heightened **challenges**. They highlighted concerns such as elevated energy prices, escalating inflation, and the anticipated increase in interest rates. These factors are expected to contribute to a decrease in orders within the construction sector.

> *"[…] we are currently being **hit harder** by this **decline** in **new construction** than by the crises we keep hearing about." – IP 3; "[…] however, this also means that construction projects are not being started, but also that we are **experiencing** an **incredible decline** in the area of **new construction** […]" – IP 5.*

Building upon the insights derived from the realm of crisis management, the subsequent section will delve into a detailed analysis of strategic adaptations, with a particular focus on the internationalization strategy and any corresponding adjustments.

5.3 Strategic Adjustments in Times of Crisis

Examining the strategic adjustments made during times of crisis reveals that, concerning the adaptation of processes, a focus on continuity is advocated to better prepare for unknown future events. Involving a detailed examination of any modifications to the internationalization strategy, both in response to geopolitical events and the challenges posed by the Covid-19 pandemic. The third aggregate dimension summarizes these evaluations.

The continuous adaptation of processes and strategies are seen as crucial for preparing for unforeseen future events (Oh & Oetzel, 2022). Geopolitical events such as the Russia-Ukraine conflict require **strategic adjustments** in **internationalization**. Survival strategies often include **broader internationalization**, focusing on **growth potential** and maintaining quality and **reliability**. Energy and fuel aspects are included in strategic planning, while functioning processes, structures and clear goals are at the forefront. The pandemic and geopolitical conflicts have different effects on internationalization strategies. Flexibility, innovation, quick decision-making, empathy and maintaining close relationships with stakeholders are proving to be key factors in overcoming uncertain times and achieving long-term success in the "New Normal" (Hidayat et al., 2021).

The respondents explain the need to rethink business relationships with countries with uncertain political conditions and state that a survival strategy through broader internationalization but also sticking to core competencies.

> *"**Survival strategy one** is **certainly internationalization**, positioning yourself more broadly but still not abandoning your core competencies. **Focus** on the **countries** that have **potential** and **continue** to **grow** there" – IP 9.*

Several interviewees stated the view that adjustments to the internationalization strategy weren't deemed necessary during the Covid-19 pandemic. However, a noteworthy shift in focus toward online retailing was observed in this context.

> *"So, the pandemic has had **no significant influence** on the internationalization strategy, I would argue." – IP 3;*
> *"I would say that our internationalization strategy has not been influenced by Corona at all […]" – IP 7;*
> *"[…] Corona and the Ukraine conflict have not significantly changed our strategy." – IP 8; "[…] we are **trying out new things**, and now with Neuffer the online retailer […]" – IP 5.*

Interviewee five (IP 5) gave an example supporting the previous statement to expand the online service offering.

> *"But people have suddenly developed the **need to make themselves comfortable at home** if they can't spend their money at the pub or on a vacation. And that was the time when people said, "Hey,*

*I can't see the windows anymore, we've been meaning to do it for a long time, **let's just do the renovation now"**.*

The analyses underscored the significance of upholding strategic alignments to maintain quality and reliability as paramount factors, even if these aspects may not always present the most cost-effective solution. Nevertheless, such a commitment contributes to the reinforcement of enduring partnerships.

*"But for us, **quality** and **reliability** are simply very important parameters when it comes to **supplying** our **sales partners** and **customers** […] to **foster good relations**" – IP 8.*

It can be considered that **crises** are part of the **New Normal** these days and in this context **flexibility** and **quick decision-making** are crucial to countering them.

*"In the first one, it was probably the Corona story that really **kept us busy emotionally**, but for me it's **the New Normal** […]" – IP 3.*

Other interviewees noted that

*"[…] we **reacted very quickly** and **unconventionally** and, even if it **takes** up a **budget**, we decide quickly and are done." – IP 6;*
*"We reacted relatively quickly. We have also **taken** up certain **crisis opportunities** […]" – IP 7*;
*"[…] how can we perhaps **adapt** our **well-structured processes** a little so that we also **become more flexible** in these processes? This is an important point, because if everything always runs according to the standard process, then it works and everything is fine. But of course, as soon as some external factor comes along that you hadn't anticipated, the **whole process can suddenly be thrown out of kilter**." – IP 8.*

Another important finding emphasizes on clear and effective communication about internal and external changes. This highlights the need for an organizational culture that values openness and maintains clear channels of communication. Especially, when it comes to strategic decisions concerning internationalization issues communication within the organizational structure is key and that also involves the owning family. This, in turn, promotes adaptability and resilience within the organizational framework.

*"[…] **communication** and **openness to change**. This is easier to realize **with owners who think the same way**." – IP 9.*

The evaluation of the analysis with regard to **strategic adjustments** shows that it is important to **revise corresponding processes**, but the findings also show that it is equally important to **maintain established** functioning **processes** that stand for **quality** and **reliability** even in **times of crisis**.

5.4 Financial Strategies and Risk Management

In the context of international expansion considerable risks and challenges for family businesses are present, requiring effective strategies to overcome financial constraints, limited access to crucial resources and expertise, the necessity for robust risk management, and the potential impact on preserving socio-emotional wealth (Zaefarian et al., 2016; Liang et al., 2014 & Arregle et al., 2017).

Moreover, in uncertain times, it is crucial to adopt a philosophy that aims to maintain a **high level of equity** and substantial **cash reserves** to enable projects to be realized even in times of economic volatility. This strategic positioning proves invaluable in times of crisis and confirms the wisdom of such decisions. However, it is important to guard against complacency and **remain humble** and **agile** in the operational and financial structure. The literature often sees family businesses as risk-averse entities (Hiebl, 2014), their approach to risk can vary depending on the family's objectives and their comfort level with uncertainty. Such differences in risk tolerance can significantly influence investment decisions and strategies for growth (Lehrer & Schmid, 2019). **Risk management** plays a central role, emphasizing preparedness for unforeseeable risks, continuous learning, and adapting tools and manuals for emerging risks like pandemics and geopolitical conflicts.

Decisions must be made quickly and wisely, especially in the face of challenges such as high interest rates and stricter lending guidelines that can lead to financial losses. **Long-term stability** is promoted by a clear **separation** between **corporate** and **private assets** and a focus on **risk management** and continuous improvement. During new uncertainties such as pandemics and geopolitical tensions, adaptation and preparation become a critical factor in ensuring the company's resilience, its competitive advantage and the well-being of its employees.

The conclusions drawn are supported by the statements provided below:

> *"Our **philosophy** has always been to have a **high level of equity** and to **retain** a **lot** of **money in the company**. My father always said that if you **keep the money** in the **company**, you also **keep your head** in the **company**."– IP 2;*
>
> *„A **good equity ratio** gives you a **good feeling** that you can **steer** through **uncertain times**." – IP 5.*

Adjustments in financial strategies are inherently associated with a certain level of risk. Hereby, the data shows a focus on risk management, especially preparing for unpredictable risks. Furthermore, it underscores the importance of a continual learning process within risk management, incorporating ongoing improvements.

> *"**We practice risk management**. We regularly **examine our processes**, including, as I said earlier, **external influences** that we cannot influence directly, and I think there is a lot we can do as a company to be better prepared."– IP 8;*
>
> *"We have a **risk management tool** where we clearly **have all the risks in it**, what we **didn't have was a pandemic**, what we **didn't have** was an **outbreak of war in Europe** and yes, because of that we have **revised** the **risk management catalog** and **put it on a new footing** […]."– IP 6;*

> *"[…] we have had **risk management for many years**. So, we will continue to do so and also **pre-pare for the main risks** that are **recognizable today**."– IP 4.*

In this context new experiences and uncertainty requires structuring and organization, ensuring a continuous awareness of associated risks. Additionally, the importance of analyzing business models and assessing the risk situation, particularly in relation to unforeseeable factors.

> *"So, there were a **number of measures** in place to ensure that we covered these risks in the best possible way, and as I said, fortunately we **got through** this **very well** and **never** had any **major problems**."– IP 8;" […] in my opinion, you have a **different continuity** and also a **slightly differ-ent risk issue**, on the one hand you are **cautious as a family business** […]"– IP 2;*
> *" […] to say what the risk situation looks like, **business models** need to **be adapted** in order to **stay competitive** […]"– IP 4.*

This is marked by a growing level of **volatility** (Bennett & Lemoine, 2014), as articulated by interviewee eight (*IP 8*): *"In connection with Corona and now the war in Ukraine […] is simply this massive increase in **volatility** and that such events, such short-term events, **can occur again and again**."*

The analyzed data and the statements from the interviewees underscore the critical importance of robust risk management practices for family businesses, particularly during disruptive periods such as economic down-turns or geopolitical crises. Effective risk management enables companies to navigate uncertainties while maintaining financial stability and resilience. By balancing financial considerations with risk mitigation strat-egies, businesses can better safeguard their assets, preserve socio-emotional wealth, and sustain long-term success even amidst turbulent environments.

5.5 Holistic Employee Management in Times of Crisis

The five aggregate dimension is an important factor that repeatedly takes center stage throughout the evalu-ation of the interviews, and that is **the employees** in a company.

The common thread across the analyzed statements of the interviews underscores the pivotal role of the familial atmosphere within family businesses, particularly during crises. The interviewees consistently em-phasize that the familial connection cultivates a sense of security among employees. This connection is viewed as a unique strength, fostering a long-term commitment to employees and manifesting in the compa-ny's culture and values.

In times of crisis, the **loyalty of employees** to the company as a reliable employer is evident and efforts are made to retain them. Sustainable growth is prioritized and benefits from employee cohesion, which promotes adaptability. In this context employees in family businesses might perceive their roles as more secure com-pared to those in non-family businesses, particularly in the context of economic downturns or organizational challenges, because family firms might be more reluctant to downsize due to the aforementioned non-economic considerations (Block, 2010). Forgoing **financial benefits** to support employees is seen as essential for long-term motivation and retention and strengthens **employer branding**. Unconventional measures such as sending gifts and organizing virtual events maintain a sense of community. Focusing on **corporate culture** and **values** through **shared activities** strengthens employee engagement. Retaining employees during difficult times builds trust and emphasizes the importance of profit sharing. Effective communication, regular surveys and transparent sharing of company goals and results are key to actively tackling common challenges. The personal involvement of owners in employee events promotes **trust** and **commitment** and underlines the ability to adapt to the needs of employees.

The interviewees stated the following:

> *"[…] **family definitely helps**, especially in crises, I would definitely agree, because it also gives **employees security**." – IP 7;*
> *"People feel a **long-term commitment** to their employees, and this can also **be felt in the culture**, often also in the **values corset**." – IP 5.*

The personal touch, often absent in publicly listed companies, is identified as a crucial factor, creating a different kind of value for employees.

> *"The employee also has a **different value in a family business** than if it is now a listed company, and I think that this **personal connection** makes it more important for the company to have a personal relationship with its **employees** […]." – IP 8.*

Furthermore, the promotion of employee gatherings and events, as well as acknowledging employees as a paramount asset, further contributes to this supportive and familial work environment.

> *"[…] was that we promote the coming together of employees, that we allow **employee events** or employee-initiated events, which can also lead to a **visit** to the **theater** in the area of **sports**." – IP 6.*

The statements collectively highlight the profound impact of the familial approach not only on employee morale and commitment but also on the company's culture and values.

> *"[…] our **employees** are our **most important asset** […] – IP 9.*

They foster positive perceptions and brand building, especially during challenging times.

> *"[..] to stay with the example of employees, word also gets around, keyword* ***employer branding****. If employees see the company in difficult times and stand by it, this has a* ***positive effect****, and this will continue in difficult times in the future, and then you also build up an image as a company" – IP 10.*

The respondents' common opinion emphasizes how this family-like environment benefits long-term commitment, employee security, and the company culture as a whole. The familial approach adds to the organization's distinctive principles while also boosting morale.

These subchapters have presented an in-depth analysis of various dimensions relevant to family businesses operating in a turbulent global environment. The unique identity and cultural characteristics of family-run businesses, characterized by their long-term perspective, stability-oriented ethos and commitment to enduring values and traditions, were explored. Furthermore, insights were provided into crisis management strategies and adaptations that are essential for ensuring business continuity among challenges such as the Russia-Ukraine conflict and the COVID-19 pandemic. In addition, this chapter examined the strategic adaptations of family businesses, particularly in the area of internationalization strategies. Finally, the importance of holistic employee management in times of crisis is emphasized, underlined by factors such as family atmosphere, employee retention and effective communication. These dimensions have provided valuable insights into the strategies and dynamics of family businesses in disruptive times providing crucial information in order to answer the respective research question underlying this master thesis.

The findings derived from the research serve as the foundation for the development of a comprehensive framework aimed at understanding and addressing the complexities of family business behavior in the context of the New Normal.

5.6 Framework of Family Business Behavior in the New Normal

The framework is now being presented and discussed in detail, each aspect of the framework will be examined thoroughly, drawing on the insights gained from the research findings to provide a deeper understanding of its relevance and applicability.

Figure 10: Framework – Family Business Behavior in the New Normal

Source: own illustration

In this context, the framework refers to the structured approach or model that describes the key components, concepts, and relationships relevant to understanding family business behavior in the New Normal. It serves as a guide for analyzing and interpreting the complex dynamics in family businesses, particularly in response to major exogenous shocks such as crises or geopolitical events. The framework offers a structured approach for organizing and combining information, allowing researchers and practitioners to understand how family-owned companies operate in challenging times and it identifies the various factors that influence family business behavior such as the influence of family dynamics, the impact of exogenous shocks, adaptations in strategies, risk management and approaches to employee engagement.

In times of crisis, family businesses face unique challenges that require a multifaceted approach to resilience. At the core of this resilience lies the family-led identity and culture of the business, which serves as a guiding force during turbulent times. Anchoring crisis responses in core family values, long-term vision, and traditions not only provides a sense of direction but also fosters a cohesive and stable organizational culture. Implementing responsible corporate governance practices ensures that decisions are made with the company's long-term sustainability in mind, while embracing a cross-generational perspective in decision-making promotes adaptability and innovation.

As family businesses navigate crises, effective crisis management and adaptation become crucial. Recognizing crises as the New Normal, businesses must develop comprehensive crisis response plans that enable swift decision-making and prioritize flexibility and agility in operations. Furthermore, forging strategic partnerships and diversifying supply chains enhances resilience and mitigates disruptions caused by exogenous shocks. Understanding the influence of geopolitical events and uncertainties is essential for informed decision-making, and implementing robust financial risk management strategies preserves the business's financial stability among uncertainty.

Strategic adjustments are key for family businesses to thrive in disruptive times. Flexibility and adaptability are crucial components of this, requiring businesses to revise their internationalization policies and proactively invest in continuous monitoring of external risks. By conducting scenario planning exercises and making strategic adjustments based on changing landscapes, family businesses can position themselves for long-term success despite uncertainties.

Financial resilience and risk management are another cornerstone of navigating crises effectively. Preserving liquidity, maintaining cash reserves, and implementing robust risk management practices are fundamental for overcoming financial challenges. Additionally, focusing on tools for learning and adaptation, such as risk management catalogs, ensures that businesses can respond effectively to evolving risks. Operational continuity through strategic partnerships and supply chain management strengthens the company's ability to withstand exogenous shocks, and in this context, it is also important to consider withdrawing from markets and terminating business relationships.

Lastly, holistic employee management is vital for maintaining morale and productivity during crises. Prioritizing employee well-being, fostering transparent communication, and empowering employees to contribute to crisis response efforts foster a supportive and engaged workforce. Strengthening cohesion through transparent communication and promoting a sense of community and belonging in the workplace not only boosts employee loyalty and retention but also cultivates a resilient organizational culture that thrives in the face of difficulty.

Overall, the framework acts as a conceptual roadmap and provides a structured way to conceptualize and analyze the complexities of family business behavior in the context of the New Normal. It provides a foundation for research, decision making and strategic planning in the area of family business management.

6 Discussion

This thesis aimed to answer the research question **"how does a family-owned enterprise react to exogenous shocks?"** now takes center stage. Drawing from the comprehensive framework and empirical findings, several key insights emerge to shed light on this complex relationship.

First and foremost, the *family-led identity and culture* of a business play a paramount role in shaping its internationalization behavior during disruptive times. Anchoring crisis responses in core family values and long-term vision provides a solid foundation for decision-making, fostering resilience and continuity in such times. Responsible corporate governance practices ensure that decisions align with the company's overarching values and sustainability goals, thus guiding internationalization efforts towards enduring success. Moreover, the cross-generational perspective inherent to family businesses facilitates adaptability and innovation in response to exogenous shocks, enabling strategic adjustments that promote international expansion while staying true to the family's legacy. In navigating crises, effective *crisis management* and *adaptation* are critical for family businesses to maintain continuity and seize new opportunities for international growth. Recognizing crises as the New normal, businesses must develop agile crisis response plans that prioritize flexibility and agility in operations. By forging strategic partnerships and diversifying supply chains, family enterprises can enhance their resilience to exogenous shocks, ensuring operational continuity and mitigating disruptions to internationalization efforts. Additionally, understanding the influence of geopolitical events and uncertainties enables informed decision-making, allowing businesses to navigate the complexities of international markets with greater foresight and adaptability. *Strategic adjustments* are essential for family businesses to thrive in disruptive times, particularly in the realm of internationalization. Flexibility and adaptability are key components of this, requiring businesses to revise their internationalization policies and proactively invest in monitoring external risks. By conducting scenario planning exercises and making strategic adjustments based on changing landscapes, family businesses can position themselves for long-term success among uncertainties. Furthermore, maintaining *financial resilience* is crucial for coping with crises and sustaining internationalization efforts. Preserving liquidity, implementing robust risk management practices, and ensuring operational continuity through strategic partnerships are fundamental strategies for mitigating financial risks and safeguarding international expansion initiatives. Finally, it becomes clear that *holistic employee management* plays a central role. In the context of crises and internationalization efforts, maintaining optimal employee morale and productivity is crucial. This includes prioritizing employee well-being, creating transparent lines of communication and empowering employees to actively participate in crisis management strategies. By fostering a supportive and engaged workforce through transparent communication and creating a sense of belonging, family businesses can strengthen employee loyalty and retention.

In conclusion, the idiosyncratic character of family-owned enterprises significantly influences their internationalization behavior in the aftermath of major exogenous shocks. By anchoring crisis response in the family's core values, fostering resilience, adapting strategically, maintaining financial agility and prioritizing holistic employee management, family businesses can effectively manage crises and seize opportunities for international growth in the landscape of the New Normal.

6.1 Contribution to the Theory

This master thesis provides contribution to family business management theory by providing empirical evidence and creating a structured framework for understanding family business behavior in the context of internationalization in times of crisis. The work fills a notable gap in the academic literature on family business research and focuses on understanding how family firms respond to significant exogenous shocks and crises that profoundly affect their operational dynamics. The framework developed emphasizes critical factors such as family dynamics, the impact of exogenous disruptions, adjustments in strategic approaches, adherence to resilience, and methods to maintain continuity and foster learning from times of crisis. This scholarly contribution should not only enhance the understanding of family business dynamics in uncertain times, but also provide valuable insights for future research efforts and practical implementations in this area.

6.2 Contribution to the Practice

The master thesis makes contributions to the practice of family business management by offering actionable insights and strategic guidance for navigating disruptive environments. Through empirical research and analysis, the thesis identifies key operational practices, such as maintaining long-term partnerships, fostering a familial work environment, and implementing effective risk management strategies, that can enhance resilience and continuity in family businesses during times of crisis. These insights provide practical guidance for family business leaders seeking to adapt their strategies and operational practices to address the challenges posed by unforeseen events, such as pandemics and geopolitical conflicts. Additionally, the emphasis on employee engagement strategies underscores the importance of prioritizing employee well-being, fostering a positive work culture, and sustaining employee loyalty during turbulent times. By examining how family businesses adjust their strategies, particularly in terms of internationalization, the thesis offers practical insights for companies looking to expand their business while mitigating associated risks. Overall, the thesis provides family business leaders with actionable strategies to strengthen organizational resilience, navigate disruptions effectively, and sustain long-term success in dynamic environments.

6.3 Limitations and Implications for Research and Practice

While this master thesis offers valuable insights through qualitative interviews, it is important to acknowledge its limitations. The reliance on qualitative data inherently presents a snapshot of a specific group of individuals, potentially limiting the breadth and diversity of perspectives on the selected topic. The small sample size further promotes this issue, as it may not adequately represent the broader population of family businesses, thereby restricting the generalizability of the conclusions drawn. Consequently, the informative value of the findings may be constrained by the limited scope of the study. To address this limitation, future research activities could benefit from larger and more diverse sample sizes, allowing for a more comprehensive exploration of family business dynamics in disruptive times. Furthermore, incorporating additional qualitative analyses or mixed-method approaches could provide a more nuanced understanding of the subject matter.

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Appendix

Zusammenfassung

Familienunternehmen sind ein Eckpfeiler der Weltwirtschaft und verkörpern eine einzigartige Mischung aus Tradition, Widerstandsfähigkeit und zukunftsorientierter Vision. Diese Arbeit befasst sich mit der komplexen Dynamik großer Familienunternehmen rund um das Internationalisierungsverhalten angesichts signifikanter exogener Schocks, wie der Covid-19-Pandemie und geopolitischer Spannungen. Basierend auf einer qualitativen empirischen Einzelfallstudie des österreichischen Familienunternehmens Internorm werden die grundlegenden Dimensionen, die die Resilienz und Anpassungsstrategien von Familienunternehmen bestimmen, detailliert untersucht. Die Analyse hebt die zentrale Rolle hervor, die die familiengeführte Identität und Kultur für die Förderung von Stabilität, geschicktem Krisenmanagement und strategischer Entwicklung im Angesicht von Widrigkeiten spielt. Durch die Nutzung ihrer familiären Bindungen, langjähriger Partnerschaften und flexibler Entscheidungsprozesse können Familienunternehmen Herausforderungen geschickt meistern und die Kontinuität des Unternehmens auch unter turbulenten Umständen sicherstellen. Strategische Anpassungen in Krisensituationen unterstreichen die Notwendigkeit von Innovation und schneller Entscheidungsfindung, unterstützt durch solide Finanzstrategien und ein Risikomanagement, das die Kontinuität des Unternehmens angesichts der Unsicherheit gewährleistet. Darüber hinaus erweist sich die Umsetzung ganzheitlicher Praktiken der Mitarbeiterführung als entscheidend für die Förderung von Loyalität und Anpassungsfähigkeit innerhalb der Belegschaft, wodurch ein unterstützendes Unternehmensumfeld auch angesichts von Turbulenzen gefördert wird. Diese umfassende Untersuchung beleuchtet das nuancierte Zusammenspiel zwischen Familienunternehmen und exogenen Störungen und liefert damit wertvolle Erkenntnisse sowohl für den akademischen Bereich als auch für die praktische Anwendung im Rahmen der Führung von Familienunternehmen.

Semi-structured Interview Guide

Demographic Information

- What is your position within the Internorm group?
- Have you worked for another company before, and if so, was it a family-owned business?

1. In your view, what are the distinctive features that differentiate the family-owned company Internorm from non-family-owned businesses?
    - How and to what extent do these distinctive features influence the decision-making behavior of the company?
2. To what extent do family values, emotional bonds, and a long-term perspective play a role in the planning and implementation of business strategies?
3. What have been the consequences of the Covid-19 pandemic on Internorm?
    - Were there any major issues and challenges the company faced during the pandemic?
4. What have been the consequences of the Russia-Ukraine war on Internorm?
    - Were there any major issues and challenges the company has confronted since the outbreak of the Russia-Ukraine conflict?
5. What influence does the fact that Internorm is a family-owned company have on the organization and strategy of the company?
    - Did the company adjust its internationalization strategy due to exogenous shocks?
    - If yes, how was it adapted concerning the pandemic?
    - How was it adapted regarding the Russia-Ukraine conflict?
6. How has the fact that Internorm is a family-owned company influenced the company's response to these exogenous shocks?
    - Would you say that Internorm's idiosyncratic character in times of crisis is a strength or potentially a challenge?
    - What measures has Internorm taken to ensure that family values and the long-term perspective are maintained during the Covid-19 pandemic and the Russia-Ukraine conflict?
7. In your opinion, what are the most important lessons that Internorm has learned from these exogenous shocks, and how will they affect the preparation for future exogenous shocks?
    - What insights has the Internorm group gained from past crises and challenges, and how have these insights been applied in the current exogenous shocks?
8. What recommendations would you provide to other family-owned businesses to better handle exogenous shocks and successfully maintain business operations?