

**THE ROLE OF THE MOST TRUSTED ADVISOR
IN DECISION MAKING IN FAMILY-CONTROLLED FIRMS**

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ABSTRACT

This study addresses the questions: What is the role of a Most Trusted Advisor (MTA)? How does a MTA provide useful advice, and add value, to family-controlled firms? Through exploring the role of the MTA, I develop a model that outlines the process of advice-giving and the value provided to family-controlled firms. Using grounded theory my findings suggest that MTAs capture the attention of decision-makers through attentional enablers of voice and weight. MTAs influence that attention through three attentional process facilitators. Finally, MTAs enable an environment of mindful governance. This perspective has implications for how family-controlled firms may establish a more effective governance structure of decision-making and collective direction setting. The evidence not only suggests the importance of MTAs and their role in decision-making, but it also provides insights into why some family-controlled firms are more successful than others at managing the interrelations between firm and family, especially through successive generations. Additionally, the findings may also be extended to other types of governance and advice structures, such as boards and peer advice networks.

INTRODUCTION

“If nobody knows who I am or what I do, then I know I’m doing my job.” (A Most Trusted Advisor)

Despite the recognized importance of the use of advisors and advice networks in family-controlled firms (FCFs) (e.g. Blumentritt, 2006; LaChapelle & Barnes, 1998), no empirical work has examined the processes through which advisors provide value to key decision-makers in the firm and family. Scholars from psychology, sociology, management, entrepreneurship, and family business repeatedly use terms that display a theme of influencing the attention of decision-makers. Dutton and Ashford (1993), Eisenhardt (1989a), LaChapelle and Barnes (1998), Maitlis and Lawrence (2007), McDonald and Westphal (2003), and Sniezek and Buckley (1995), amongst others, all suggest that decision-makers are influenced by “issue-sellers”, “counselors”, “high-status friends”, “trust catalysts”, “sense-givers”, “peer-advice networks”, and “Judge-Advisor Systems” and urge researchers to study the processes that take place behind-the-scenes.

Each of these fields has been greatly influenced by the notion of attention. That so many scholars have begun to concentrate on the directing of attention gives one reason to deliberate. While the importance of attention in decision-making stems from Simon’s (1947) early work, with the exception of Ocasio (1997) it has only been recently that attention has made a re-emergence with management scholars. This growing literature does not necessarily speak of advisors in the role of attention per se, but deliberates how others may influence decision-makers, assist them in making sense of their environment, and make decisions more mindfully.

In this study I begin the empirical exploration of how the Most Trusted Advisor (MTA) advises decision-makers in FCFs. As a first step, I develop a grounded theory of the process of advice-giving by integrating the work of other scholars who have investigated issue selling

(Dutton et al., 2001), attention (Bouquet & Birkinshaw, 2008; Ocasio, 1997), and heedful interrelating (Weick & Roberts, 1993). The constructs, the model, and the subsequent theory that I used to develop the framework only emerged during my data analysis.

The MTA differs from other types of advice providers. It is often a hidden role that many people do not know exists because the MTA is privy to very confidential information from both the family and the business. The term ‘Most Trusted Advisor’ is one familiar to the language of FCFs. I use the term to refer to one who usually advises to one family only on both business and family matters, and who is often employed full-time by that family. The role has been found not only in business, but also in other types of institutions such as Asian dynasties (Kim Cheo-Seon was the wise eunuch who served successive kings during the Joseon Dynasty in Korea), European royal families (Sir Walsingham was the courtier to Queen Elizabeth I) and even the Cosa Nostra (as depicted in the movie, *The Godfather*, Tom Hagan was the consigliere to Don Vito Corleone).

Previous studies on advisors have focused on the outcome of the advice. As valid and insightful as these studies are, I offer that it is not the content or the outcome of the advice, but it is the process of advice-giving that is critical. My conceptual model suggests a greater understanding of the process of advice-giving may be gained by blending the attention-based and heedful interrelating perspectives that have not previously been alleged. I propose a model describing how attentional enablers and facilitators set the stage for how mindfulness may be achieved and used in governance.

My resulting conceptual model of mindful governance both shares a strong commonality with, and has been influenced by, the attention-based view (Ocasio, 1997) and heedful interrelating (Weick & Roberts, 1993), while adding to these an explicit focus on the process of

advice-giving¹. My findings suggest that the MTA 1) captures the attention of the decision-maker through *attentional enablers*, 2) influences that attention through *attentional process facilitators*, and 3) helps facilitate an environment that results in more *mindful governance*. *Attentional enablers* are the qualities and competencies of the MTA that allow him to capture the attention of the decision-maker and other family members. I identified two sets of enablers – the voice and the weight of the MTA.² *Attentional process facilitators* embody how the MTA is able to direct and influence attention³. *Mindful governance* is defined as an increased awareness of the thoughts, actions, and motivations involved in the decision-making process and the methods by which those decisions are implemented, or not implemented. The MTA facilitates an environment of mindful governance by challenging the decision-makers' schema, and by helping members relate to one another to encourage collective direction-setting. I develop the model from the perspective of the MTA, but the MTA alone does not represent mindful governance; he is but one cog in the wheel. Yet, the concept of mindful governance emerged through studying the role of the individual.

A focus on the MTA and the process of advice-giving charts a different course for seeing how attention may be influenced. Past researchers have emphasized issue-sellers (Dutton et al., 2001) or sensegivers (Maitlis & Lawrence, 2007) who may be self-interested; my findings indicate that MTAs are not self-interested in providing advice but are focused first on the family.

¹ I have used theoretical concepts that emerged from the study to structure this introduction. The concepts are grounded in the data and emerged from the analysis, as opposed to being derived from prior theory. Typically, in grounded theory research, the qualitative data are presented before revealing the theoretical dimensions and contributions. I provide a theoretical overview in my introduction to preview the major findings and conceptual model. The concepts though, emerged from the study, and from consulting the relevant literature, guided by the data analysis.

² The concepts of attentional enablers emerged from the data. I began to use the 'voice and weight' labels as my data analysis deepened and as I realized that I could build on published work (e.g. Bouquet & Birkinshaw, 2008). Prior to that, I used my own labels of 'character and competencies' to capture the themes as they emerged from the data.

³ The concept of attentional facilitators emerged from the data. During the course of my data analysis, I studied Weick and Roberts' (1993) work on representation, contribution, and subordination, which closely paralleled the process facilitators used by the MTA. I use my own labels, but I build on Weick and Robert's (1993) published work.

The evidence suggests that MTAs do not lose political protection if they are unsuccessful selling an issue, instead, they strengthen their position by accepting and committing to a decision with which they may not necessarily agree. In contrast to the current literature this study found that by challenging norms MTAs will not jeopardize their position, instead, they are able to provide the decision-maker with cause to think about issues from a different perspective, resulting in a better decision. Overall, MTAs have the best interest of the family at heart for the long-term, and understand the family's underlying motivations, dynamics, and psyches. They provide both an area of expertise and a broad knowledge of business, respectfully challenge ideas, actively search out new information, and are sensitive to their environment. Through maintaining a strong sense of self, they understand their own limitations and will search out and defer to expertise.

This is the story of the MTA. A story that contributes to our theoretical understandings of attention and heedful interrelating, and that can offer considerable insights for how FCFs may establish a more effective and efficient governance structure of individual and collective decision-making.

PRIOR RESEARCH

Within the family business literature, one of the questions that most often arises is 'what is a family business?'. For the purposes of this summary, I follow Astrachan and Shanker (2003) and define a FCF where the family: 1) retains majority ownership/voting rights to control the firm's strategic direction; 2) is involved in the day-to-day operations of the business; and, 3) intends to transfer the business to the next generation. This definition captures the characteristics of what makes a FCF unique, and it compares favorably with extant studies in the family business literature. As the purpose of this study is to explore the role of MTAs, it is important that the family guide the strategic direction of the firm.

Family-controlled firms are the dominant organization structure in the world. Estimates of their economic impact vary depending on the definition used; however, researchers agree that FCFs have a significant impact on economies around the world (La Porta, Lopez-de-Salinas, & Shleifer, 1999; Schulze, Lubatkin, Dino, & Buchholtz, 2001). Canadian family firms employ approximately 20% of the population and generate \$1.3 trillion CAD in annual revenues. In the United States, 10.8 million family firms contribute to 59% of GDP and employ 58% of the workforce (Astrachan & Shanker, 2003). They are even more prevalent in Germany, Japan, Italy, and many developing countries (La Porta et al., 1999). Family-controlled firms drive our global economy, but they also often fail. Past research suggests that only 30% survive to the second generation and fewer than 30% of these survive to the third generation. It is therefore important to understand the factors that contribute to the survival and success of FCFs.

Family business scholars study how FCFs differ from their referents and what factors make them unique. Those that view FCFs positively focus on firm resources that provide them with a competitive advantage, such as relationships, and trust (Miller & Le Breton-Miller, 2005). There is evidence that shows these businesses often outperform non-family controlled firms (Anderson & Reeb, 2003; Shleifer & Vishny, 1997). Conversely, critics argue that owners' interests differ from those of non-family stakeholders. Researchers have found evidence of several failings, including: 1) managerial entrenchment (Gomez-Mejia, Nunez-Nickel, & Gutierrez, 2001); 2) pursuing firm objectives that do not maximize short-term shareholder value (Fama & Jensen, 1985); and, 3) having less effective external control mechanisms (Schulze et al., 2001). It is important to understand what differentiates these studies from one another. First, many problems appear when the family controls, but does not run the firm (Anderson & Reeb, 2003). Second, many of the problems that FCFs experience occur beyond the first generation.

The founder positively affects the value of the firm, while the descendants destroy value (Villalonga & Amit, 2006).

We know from past research that FCFs exist in a more complicated environment than other types of ownership structures, due to the interaction of the family and business systems (Mitchell, Morse, & Sharma, 2003). The ownership structure becomes even more complicated as the firm passes through succeeding generations: siblings and cousins must coordinate the ownership and decision-making of the firm, and of the family's wealth. Difficulty in interrelating with family members and making decisions in the best interest of the whole is one of the reasons FCFs do not succeed beyond the first generation. Yet at the same time, FCFs may be uniquely organized to take advantage of firm resources and capabilities that result from this mix of ownership, family, and management dynamics; this is known as the concept of 'familiness' (Ensley & Pearson, 2005). These bundles of resources include human and social capital that yield effective behavioral dynamics and equip the family firm to contend with issues such as conflict, cohesion, and shared decision-making (Ensley & Pearson, 2005).

The research on advisors suggests that advisors may play an important role in making decisions and providing resources. External advisors, advisory boards (Blumentritt, 2006) and trust catalysts (LaChapelle & Barnes, 1998) are important resources for FCFs. However, many researchers study the end results, and not the actual process of giving advice. The sociology literature has argued that high-status friends are important to developing good relationships in organizations (Freilich, 1964). The psychology literature has documented the importance of giving and taking advice when making organizational decisions (Sniezek & Buckley, 1995). The general management literature argues that leaders rarely make decisions on their own; instead, CEOs who need to make quick decisions and who operate in dynamic and complex

environments rely heavily on advisors (Arendt, Priem, & Ndofor, 2005; Eisenhardt, 1989a). The entrepreneurship literature also shows that advisors are critical to the success and survival of new ventures (Chrisman & McMullan, 2000). Significant work has been completed in the areas of giving and taking advice (Sniezek, Schrah, & Dalal, 2004), on acquiring information, environmental scanning (Eisenhardt, 1989a; Sutcliffe, 1994), and on sensegiving/making (Maitlis, 2005; Maitlis & Lawrence, 2007). Yet, there remains a gap in our understanding of the role of MTAs. In this study I address this gap by exploring the role of MTAs through grounded theory methodology; I identify the qualities, competencies, and processes that enable MTAs to capture and influence attention, and the value they bring to the firm.

METHODS

It can be difficult to incorporate processes into systematic empirical research. In this study, I offer a grounded theory approach to qualitative research as one methodological means to address these challenges. Qualitative research was appropriate for my research questions because it allowed me to understand and explore phenomena where little is known, by entering the field to discover the phenomena under study (Strauss & Corbin, 1998) in order to generate conceptual frameworks (Miles & Huberman, 1994). Grounded theory is built from data that are systematically gathered and analyzed (Strauss & Corbin, 1998:12). In grounded theory-building, underlying constructs, patterns, and relationships are teased out and allowed to emerge from the data, hence, it is important to be open to multiple possibilities while gathering and analyzing the data (Strauss & Corbin, 1998).

My research followed the processes described in Eisenhardt (1989b) and Yin (1989), using a multiple case design to create propositions, constructs, and theory from case-based evidence. Multiple case studies provide a stronger foundation for building theory than single case

studies, because the design allows one to confirm or disconfirm the conceptual insights that emerge (Yin, 1989). This results in a more parsimonious, robust, and generalizable theory than what may emerge from a single case study, because only relationships that occur across multiple cases are retained (Eisenhardt & Graebner, 2007). Figure 1 provides an overview of the research process.

Insert Figure 1 About Here

Theoretical Sampling

I selected the case studies according to a deliberate theoretical sampling plan. My aim was to choose cases that would offer theoretical insights, replicate or extend the phenomenon of interest where it was clearly observable, and provide the greatest opportunity for discovery (Eisenhardt, 1989b; Eisenhardt & Graebner, 2007). The role of the MTA is very private. It is difficult to identify who the MTA is, let alone gain access to them or to the family members. MTAs are generally reluctant to be interviewed due to the confidential nature of their role. I drew on my own personal network to identify the initial two case studies. I gained access to the other cases through contacts made at a workshop for MTAs that I attended. My sample is not randomly chosen, but this is acceptable in grounded theory because the aim is to understand the phenomenon; the most important elements of that process are theoretical relevance and access to rich data (Eisenhardt, 1989b; Yin, 1989).

I carried out my research in six FCFs. Family-controlled firms are well-suited to this research as this is where the MTA role primarily exists. The dynamics of FCFs also create a rich context for studying the MTA. The FCFs in this study came from Canada. The firms' ages

ranged from 30 years to over 100 years and they operated in six different industries: packaging, telecommunications, investment management, life sciences, transportation, and multi-industry.⁴

In order to set the context, a short synopsis of each firm follows. *Packers Plus* is a private packaging firm. The firm, founded in the late 1800s, succeeded through several generations until the great-granddaughter purchased the firm 11 years ago. The MTA has been with the current owners since time of purchase. *Invest 4U* is a private investment communication firm. The owner started in 1968 as a partner in the firm which he eventually purchased. The owner has two sons; one works for the firm. The owner's MTA joined the firm in 1987 as CFO and works full-time with the family holding company. *Telco* is a telecommunications firm founded approximately 40 years ago. The founder's wife worked in a senior management position within the firm; the couple has three children who were all involved in the business. Their MTA joined the firm in 1984. In the early 1990s another advisor was brought in full-time to help manage the holdings (MTA2). *BioLife* is a private life sciences firm founded by the current owner in 1983. The owner has four children, two sons and two daughters who all sit on the advisory board. One son is CEO and the other is president and CEO of a public sister firm. The MTA (MTA1) of the owner is an external advisory board member of the family's holding company and has been advising the owner since 1977. MTA2 is employed full-time as president of the family's holding company and has been employed full-time by the family since 2002. *Transport U* is a transportation firm founded in 1979. The firm is currently operated by the second generation, two brothers. The MTA has been with the firm since 1994. *Global Inc.* operates globally in multiple industries, including real estate, tourism, construction, gambling, and shipping. The MTA began advising the firm in approximately 1989; the firm engaged him as a full-time MTA in 1999.

⁴ I note that there is always the opportunity for industry effects; however, my arguments for using case studies in multiple industries are strengthened by the fact that I found similar patterns across all industry types. Names of all firms have been changed to protect confidentiality.

Data Collection

I used multiple data-gathering approaches to support and triangulate the findings: 1) open-ended interviews, 2) electronic and written documentation, and 3) participant observation. Interviews were the primary source of data, while documentation and participant observation were important for understanding the context, issues, backgrounds of the interviewees, and for gaining alternative perspectives. I was able to build the reliability and integrity of my data analysis by combining and triangulating these sources (Jick, 1979; Miles & Huberman, 1994).

Open-ended interviews. I conducted 38 interviews with 21 informants. I interviewed 8 MTAs, 6 primary owners, 2 spouses, and 4 adult children. The tenure of the MTAs ranged from 9 - 31 years. I used open-ended questions to encourage flexible and informal dialogue. The questions corresponded to non-structured responses.⁵ For each case study I interviewed multiple informants to triangulate the data, add alternative perspectives, and mitigate the biases and retrospective sensemaking. Each in-depth interview lasted between 60 to 120 minutes. All interviews were digitally recorded and then transcribed verbatim for use in the data analysis. I also kept a record of field notes to supplement the transcribed interviews, to understand emergent findings, and to modify the questions for follow-up interviews.

Documentation. I collected over 600 pages of written data that helped me to gain insights into the firm and the family. These data included website information on the firm, industry, family, and the interviewees; archival public data from electronic and written media coverage; and presentations and documentation from the workshops I attended. I was also given access to private information on the firms and families, including: mission statements, presentations, annual reports, board minutes, internal memos and reports, and educational material from

⁵ I modified the guiding questions after each interview, adding questions to address issues that emerged as important.

courses attended by the family and MTA. These documents provided a secondary data source (Jick, 1979) and were useful for engaging interviewees.

Participant observation. At the beginning of the study I gained access to two workshops. The first was a private three-day workshop for MTAs. Approximately 40 MTAs and their family members attended the workshop. The second workshop was attended by approximately 50 academics, advisors, MTAs, and families; both were invitation-only. The workshops included presentations and panel discussions on a range of topics, such as investment strategies, communication, issues faced by family firms, and the challenges of the MTA role. I had many opportunities to interact with the workshop participants and session leaders: between seminars, over dinner, and on taxi rides. I found that participants were willing to speak freely about their roles and their concerns. I took extensive notes and I recorded my personal interactions with the attendees and my own research insights. The workshops provided a wealth of information on the role of MTAs; they exposed me to the issues MTAs face, and they helped me generate potential case studies and possible interview questions. The events were a check of the validity and consistency of my interview data and findings.

Data Analysis

As per Strauss and Corbin (1998), I overlapped data analysis and data collection. I kept extensive field notes and, as suggested by Eisenhardt (1989b), I recorded my ongoing impressions in field notes as they occurred to me. Constant self-questioning helped me to compare the case studies and speculate about patterns and relationships.

Data Coding. I analyzed the data with the coding procedures for building grounded theory suggested by Strauss and Corbin (1998). The purpose of coding is to uncover explanations to gain an understanding of the phenomena. I coded the interview data first

manually and then using NVivo, a software program for qualitative data analysis. In the coding process data was broken down, conceptualized, and then put back together. The process began with open coding. I analyzed the data looking for patterns and recurrent themes. I grouped together the themes and key words that emerged such as “trust”, “no ego”, and “competencies”.

I coded the data into 153 preliminary sub-categories. I only retained the sub-categories that appeared across multiple cases. As I had no *a priori* propositions, this step involved multiple rounds of analyzing the interviews to search for patterns and recurring themes. This continued until I had a clear grasp of the emerging theoretical relationships; there were 18 first-order concepts based on core themes that emerged. After open coding, I used axial coding (Strauss & Corbin, 1998) to identify relationships among the open codes in order to develop core codes. I combined the first-order concepts to construct seven second-order themes. These second-order codes were: “voice”; “weight”; “sense of self in relation to others”; “sense of self in contribution to the whole”; “decision bias to others in relation to self”; “crafting more encompassing decisions”; and, “collective direction”.

The final step was to select focal core codes by integrating the concepts around core categories to form an explanatory whole (Strauss & Corbin, 1998:146). In selective coding, I concentrated on developing aggregate dimensions of recurring second-order themes. I labeled these aggregate dimensions: “attentional enablers”, “attentional process facilitators”, and “indicators of mindful governance”. The overall result was a framework of relationships that allowed me to identify the enablers, the facilitators, and the outcomes.

I analyzed the data within cases and across cases to obtain common pattern evidence through multiple lenses (Eisenhardt, 1989b). The purpose was to become intimately familiar with each case study to allow the unique patterns of each case to emerge before analyzing across cases

(Eisenhardt, 1989b). As themes and relationships emerged I compared them with other case data and I looked for similarities and differences amongst the cases (Strauss & Corbin, 1998). I also used cross-case analysis to search for general patterns and to ensure that information-processing biases did not lead me to premature and false conclusions (Eisenhardt, 1989b). The evidence from multiple sources converged on a single, well-defined framework which helped validate the concepts, verify relationships and patterns, and increase my understanding of the phenomena (see Sutton & Callahan, 1987). Figure 2 presents my final data structure.

Insert Figure 2 About Here

Trustworthiness of the Data. To ensure the trustworthiness of the data I meticulously managed the data, including all records of e-mails, telephone conversations, interviews, transcripts, field notes, and other documentation. Once the initial coding was complete, I asked three colleagues who were not part of the study to review the coding tables to check if they agreed/disagreed with the codes and labels. As a group, we agreed on 90% of the codes and labels. We discussed those we did not agree on until we came to a consensus. After the initial model was developed, I returned to the interviewees for a member check. I invited them to be critical of the findings and model and to identify weak links. Overall, the interviewees considered that the model captured well the role of the MTA. Once the data analysis and write-up were complete I asked an external colleague who had not been involved to perform an audit. He concluded that the data was appropriately organized, could be easily followed, and that the interpretations and coding reflected the data appropriately.

FINDINGS

My analysis revealed distinct sets of conditions that enabled the MTA to: 1) capture attention, 2) influence attention, and 3) facilitate an environment of more mindful decision-making and collective direction setting.

Attentional Enablers

My findings suggest that two sets of conditions enable the MTA to capture the attention of the decision-maker and gain the right to be heard. Both of these conditions relate to the attributes and competencies of the MTA. The first was voice: the MTA was more likely to be able to capture attention when he had a strong voice. I define voice as a relational characteristic that is used to capture the attention of the decision-maker. Voice is a second-order theme that aggregates several first-order concepts: ‘self-awareness, ‘being true to one’s values’, being ‘absolutely trustworthy’, and ‘selflessness’. Table 1 provides representative quotes from the data that illustrate each of the first-order concepts.⁶ For example, Quotation 1.2 illustrates how being self-aware (exhibited here by not having an ego) is important to establishing a good working relationship: the owner of Invest 4U argued that “*there can’t be trust if egos start getting in the way*”. Quotation 1.4 illustrates the concept “true to values” with an example of the high moral standards of an MTA. The MTA of Invest 4U was asked to sign the owner’s father’s passport, yet he had never met the father. Although the MTA thought he may be putting his position with the owner at risk, he refused on the basis that the deceit went against his principles. The result was that the family trusted the MTA more than ever because they realized he would not compromise his own principles. Quotation 1.6, from an interview with the owner of Telco, illustrates the extraordinary level of trust he has in his MTA: “*When he brings a document to me,*

⁶ I only include a portion of Table 1 for illustrative purposes. Each second-order theme has its own tables dedicated to quotes that illustrate the respective first-order themes; these tables for each of the first- and second-order themes are available from the author upon request.

I don't read it. I sign it. And I don't do that with anybody.” Lastly, Quotation 1.7 reveals how MTAs put the family’s needs above their own: *“there’s a real sense that I need to know this is somebody who I can talk to who is going to be thinking for me, not for their own personal gain for their own advancement”*. MTAs always have the family’s best interest at heart.

The second condition that enabled the MTA to capture the attention of the decision-maker was weight. Weight is a structural characteristic that refers to the competencies that bestow legitimacy on the MTA, or ‘the right to be heard’. This second-order theme aggregates the following first-order concepts: ‘depth of competency’ and ‘breadth of competency’. Table 1 presents quotes from the interviews that illustrate each of these first-order concepts. For instance, Quotation 1.10 demonstrates the respect that the owner of BioLife has for his MTA’s depth of competency: *“He ain’t God but nobody has a head like him.”* Competency also comes from breadth of knowledge. In Quotation 1.12, Telco’s MTA noted that a diverse background helped him to know where to seek good advice and what questions to ask: *“... you develop a sense about what you really don’t know and when you need help, but what you do know is you know the questions to ask, and to me if there is one thing that I contribute, I think it’s knowing the questions to ask and knowing when I need help.”*

Insert Table 1 About Here

Attentional Process Facilitators

Three second-order themes emerged from my data analysis that I aggregated as ‘attentional process facilitators’. These processes embody *how* the MTA was able to direct attention. The second-order themes are ‘sense of self in relation to others’, ‘sense of self in contribution to the whole’, and ‘decision bias to others in relation to self’. Sense of self in

relation to others refers to the individual's understanding of how the group relates to one another. The MTA envisions how the group connects; how the actions of one influence the other; and his own impact on the group. This second-order theme aggregates the first-order concepts of 'understands issues and interpersonal dynamics' and 'meaningful engagement'. For example, the son of the founder of BioLife described how their MTA sets an appropriate pace and allows group decision-making to unfold without pushing his own thoughts at inappropriate times. The son attributes this to the MTA's deep understanding of the dynamics of the group:

"... they have to be able to listen, be patient, not rush to decision, and control – not look for an immediate solution or not necessarily provide the immediate solution...I am sure you have been in the same situation where you would say two hours later somebody came up with the problem and had to solve it, one person says in the first two minutes 'this is what we should do', everybody says 'no', two hours later they go back to the solution somebody proposed in the first two minutes and the difference is that it took two hours later for everybody that suggested the solution to come around to it. So if you are a person that is just going to come to the solution in two minutes and then withdraw, you won't make it because the rest of the crowd won't follow."

Sense of self in contribution to the whole refers to the contributions MTAs make, while being aware of how their actions affect the group; as a result, they contribute accordingly. Sense of self in contribution to the whole aggregates several the concepts of: 'providing independent objective advice', 'acting purposefully', 'acting with suspicious trust' and 'facilitating'. To illustrate, the MTA of Global Inc. discussed how the advisor must be able to provide his opinion, whether the family likes it or not: *"You have to be able to say 'this is what I think. If you don't agree with it that's fine but this is what I think'"*. In another example, the MTA of Packers Plus acted purposefully when he continually followed-up with the owners; this differentiated his role from the other members of the advisory board:

"I will follow up, keep a note of things from a prior board meeting and I'll ask whatever happened to this situation, did you ever deal with it? And they will say it's still on the to-do list, or yes this is what we did. But I think that's part of – none of the other board members do that."

The MTA2 of Telco conveyed the importance of thinking critically about potential implications and consequences of issues and decisions: “...my role it’s always also to help them realize what are the consequences, the implications that you see that they might not think about”. Lastly, the MTA of the founder of Telco described the difference between an MTA and other professional advisors. MTAs must be willing to defer to expertise and coordinate input from other advisors; whereas, professional advisors are often perceived to “hold the family captive”:

“Most professionals don’t want to recommend to families that they get somebody else because they want to keep them captive, but the good professional advisors will say to people ‘you should have a right-hand person in-house who you trust, who is honest, who will give you the straight goods, and who will help your family in all kinds of areas.’”

Decision bias to others in relation to self refers to accepting and supporting the decisions and goals of the decision-maker. The second-order themes that fall under this aggregate dimension are ‘decision belongs with the decision-maker’ and ‘accept and commit to the decision’. To illustrate, the MTA of Invest 4U described how he leaves the owner to make an informed decision once he has made him fully aware of all possible consequences: “My job is to advise him and impart as much knowledge as I have to him so that he can make an informed decision”. As well, the MTA of Telco illustrated the importance of being a “good soldier” and supporting family decisions he may not believe in:

“...if you are going to be a really good advisor, you then have to be prepared to go with whatever they decide and make it work, even if it’s not what I believe. And I work on a lot of stuff that I don’t believe is the right thing to do but because you have to kind of be what I call a good soldier”.

Indicators of Mindful Governance

Two second-order themes emerged from my data analysis that appeared to reflect the outcomes of the role of the MTA. Aggregated, I call these themes ‘indicators of mindful governance’. The second-order themes that make up this aggregate dimension are ‘crafting more

encompassing decisions’ and ‘collective direction’. The theme crafting more encompassing decisions reflects how the MTA helped the decision-maker assess the full potential impact of their decision on both the organization and the family. The MTA influenced the decision-maker’s assumptions, cause and effect relationships, beliefs about facts, and interpretation of issues. Two first-order concepts make up this theme: ‘reflecting on the decision making process’ and ‘challenging the decision-maker’s schema’. For example, the owner of Telco believed the MTA helped him to slow down, to reflect, and to think about the various consequences: “...*Yes, (I) took my time and that’s very good advice*”. The MTA of Packers Plus explained how he brings value by encouraging owners to consider decisions from a different perspective: “...*think about doing it this way. I know you’ve always done it that way but what about, would it make sense to take a look at it from this perspective*”.

The next second-order theme for indicators of mindful governance was collective direction. Here, the MTA acted as a group process facilitator, creating an environment of unifying structures to connect members to one another, resulting in decisions that focused on the whole, not just the individual. This second-order theme aggregates two first-order concepts: ‘helping family to understand self in relation to one another’ and ‘helping family to interrelate in relation to one another’. In an interview with the owner of BioLife, he described how a key function of the MTA is to help the second generation find their place in the family: “...*the job is really to build them up and help them get to a stage of life where they feel really good about themselves and feel good in their own skin as well, depending on what they do, what their dreams are*”. The second son from BioLife described how governance – what he referred to as helping the family to make decisions as a unified group – is the number one priority for the MTA, and is the only way that the family will be able to stay together in the family business:

“He asked us to prioritize what was important when we were in this conversation and I said governance is his number one thing. Helping us make decisions without our father. To me that’s the only way that we are going to be able to kind of live what my father wants us to do and that’s to keep (firm) together.... Yes. There’s no question. If we didn’t have outside board members and a kind of a process to speak resolution, I don’t think we would be in the court but we would split up for sure.”

DISCUSSION

Attentional Enablers

I found that there were distinct recurring qualities and competencies of the MTA that allowed him to capture the attention of the decision-maker and other family members – I label these as attentional enablers. There were two sets of enablers: voice and weight. I define voice as the MTA’s relational position that is used to capture the attention of the decision-maker. In previous research on issue-selling, the objective of the manager is to influence others with respect to his own self-motivated values and ideas (Dutton & Ashford, 1993; Dutton et al, 2001). My findings suggest that the role of the MTA differs; the MTA is “*good beyond self*” and places the family’s interests over their own. Further, Dutton et al. (1997) suggest that issue-sellers may withhold information to ensure they are successful and achieve desired rewards, as opposed to risking their positions. This differs from the data I found on MTAs. MTAs adhere to their principles even if it means they will not be successful. For example, the spouse of the owner of Telco noted: “*You knew that he (MTA) was saying it because that’s what he believes. You get him as he is*”. If the decision-maker believes that the MTA is self-aware, is true to his own values, is trustworthy, and has the best interest of the family at heart, then the MTA will have a strong voice and be more likely to capture and maintain the attention of those within the group.

I define weight as the MTA’s structural position used to capture the attention of the decision-maker. Weight is created through depth and breadth of competencies; these competencies provide the MTA with credibility and legitimacy in their role. Researchers have

shown that individuals with expertise can enhance performance and enable innovation by offering new knowledge acquired through their experiences with other firms (Rao & Drazin, 2002). Eisenhardt (1989a) also found that breadth of experience is important; CEOs turn to advisors who can comment on issues that reach well beyond a single area of the firm. The relational attributes of voice provide fine-grained information, but it is weight that emphasizes the *value* that the information provides (e.g. Gulati 1998:296). The degree of weight given to the MTA and the extent to which they can capture attention depends on whether they are perceived to be of critical value to the performance of the firm and the well-being of the family.

In my data, both voice and weight were revealed by the attention that the decision-makers gave to the MTA when s/he raised a concern. For example, the owner of Telco noted: *“There isn’t a major thing that we do that we don’t go over and use him as a sounding board because we know he does care for the family. He’s just as straight as can be.”* MTAs use their beliefs and values (voice) and their respective structural position (weight) to capture attention. This finding shares a commonality with Ocasio’s (1997:197) “players” who affect attention through their beliefs, values, social influence, and “structural positions”; the latter being “the roles and social identifications that specify...their interrelationships with other structural positions internal and external to the firm”. Voice makes the MTA a player; weight gives them a structural position.

The concept of attentional enablers also contributes to the literature on how managers are able to capture the attention of the top management team to sell issues (Dutton & Ashford, 1993; Dutton et al., 1997). For example, while Dutton and Ashford (1993) recognized that the characteristics of the issue-seller were an essential antecedent to issue selling, this was outside the scope of their study and they urged future researchers to explore those characteristics. The voice and weight of the MTA comprise the qualities and competencies required to capture, and

eventually influence, attention. However, the main premise of this study is not one of influencing attention in order to sell issues, but one of capturing and influencing attention in order to provide advice that is in the best interest of the decision-maker and the family. Figure 3 provides an overview of the conceptual model that begins with voice and weight. These dynamics lead to the development of the first proposition:

Proposition 1: Advisors will be better able to capture the attention of the decision-maker when they possess both a strong voice and a strong weight.

Insert Figure 3 About Here

Attentional Process Facilitators

Three second-order themes emerged from my data analysis that I label as attentional process facilitators: ‘sense of self in relation to others’, ‘sense of self in contribution to the whole’, and ‘decision bias to others in relation to self’. These processes embody how the MTA is able to direct and influence attention. These findings contribute to existing literature on Weick and Roberts’ (1993) work on heedful interrelating and the collective mind.

The process of influencing attention begins with the theme of understanding ‘self in relation to others’. Weick and Roberts (1993) call this process representation. Asch (1952:251) argued that it is individuals who “actually create social forces” of the collective; collective action is only “possible when *each* participant has a representation that includes the actions of others and their relations” (italics added for emphasis). One must comprehend how the individual within the group understands both the group and its interrelations in order to understand how the collective interrelates.

Similarly to Asch’s arguments, Bereiter (2002:104) suggested that: “understanding is an attribute of the person’s relation to the thing that is understood. To behave with understanding is to act in ways attuned to relevant properties of the thing. To have deep understanding means one

is attuned to non-obvious structural or causal properties of the thing and to that thing's relations to other things". I found that the MTA possesses such a deep understanding; he envisions where the family should go and the competencies they need to develop. The MTA visualizes and has a deep understanding of the strengths and weaknesses, emotional dynamics, and interactions of the family and business members within the system. As one MTA from a workshop I attended stated "*when you understand the narcissistic tendencies of the owner, you can begin to anticipate their needs*". By understanding interpersonal dynamics MTAs can bring the right people together at the right time to discuss the appropriate issues. Individuals who better understand the interrelations, and their role with respect to those interrelations, will be better able to influence attention. Ocasio (1997) suggested that procedures and communication processes in organizations are important for channeling the attention of decision-makers – the tangible activities that make up these channels include member interactions and communications. The MTA can therefore influence attention by affecting procedural and communication channels.

The second process facilitator was 'sense of self in contribution to the whole'. This process refers to how MTAs tailor their contributions based on their awareness of the dynamics of the group. MTAs made their contributions in the full knowledge of how they were affecting the group; they contributed independent objective advice that challenged the decision-maker. In this regard, the role of the MTA is similar to that of devil's advocate, who adds noise to the system by offering countervailing models, ideas, and assumptions (Miller, 1993). This is in contrast to Dutton et al.'s (1997) study on how middle managers assess the context for issue-selling; they found that managers considered actions that challenged the decision-maker to be very risky. To illustrate, the MTA2 of BioLife describes a scenario where he "foisted" an external board member onto one of the holding company's firms:

“...in a lot of places (it) could be a career-limiting move to take on the CEO who is a family member, and a very important family member, and foist a board member on him, and there was some friction over that and he knew I was doing it but he also – I think at the end of the day he respected it.”

The next first-order code under this theme was ‘acting with suspicious trust’; it differs to the traditional view of trust. I define suspicious trust as depending on another to see, interpret, and/or believe events, circumstances, and the environment differently. The evidence indicates that suspicious trust is critical; as per Weick et al., (1999:96) “when others see what they believe, both their seeing and believing miss a lot”. With suspicious trust, the MTA is preoccupied with potential failure; he constantly tries to prevent the worst from happening – family break-up, business collapse, fraud, or succession problems. MTAs accomplish this by acting with suspicious trust and also by ‘acting purposefully’. By acting purposefully the MTA tries to anticipate the future. For example, several of the MTAs discussed how they engaged the family in developing a vision; because the MTAs have a sense of self in relation to others, they are able to contribute accordingly through acting purposefully. Lastly, the MTA is able to bring in experts act as a facilitator because he has a deep understanding of his own sense of self and the group dynamics. The spouse from Telco noted that the MTA acted as a “quarterback” in this regard:

“... whereas the Most Trusted Advisor for us was the quarterback who would bring everybody together and get the best advice from each of them but he or she would be the only person that would know all of the issues and therefore could make sense out of it.”

Several interviewees noted that professional advisors are often reluctant to defer to other experts, which differentiates them from the MTA. The danger of ignoring expertise and excluding other advisors is that power concentrates in the hands of too few. Fraud is a real risk to FCFs that lack diffused governance. Including advisory boards and external experts in the governance circle mitigates this risk. The MTA to the founder of BioLife commented on the importance of including others:

“...an advisor also has to be willing to see other people there as well. You can’t – as I said with age, these are things that you only get with age. You don’t have all the wisdom in the world. There are other people who can come to the table.”

The third process facilitator was ‘decision bias to others in relation to self’. This concept refers to accepting and supporting the decisions and goals of the decision-maker. Decision bias to others in relation to self is similar to Weick and Roberts’ (1993:357) concept of subordination, where individuals “interrelate their actions within the system”. I found that both the owners and their MTAs acknowledged that the final decision belongs with the decision-maker. As Asch (1952:252) suggested though, only when the first two concepts of representation (sense of self in relation to others) and contribution (sense of self in contribution to the whole) are present “can individuals subordinate themselves to the requirement of joint action”. The MTA cannot assist and support the group by accepting and committing to a decision unless they understand the group and how their individual contributions interrelate with the group.

When the MTA submits to the will and needs of the decision-maker; he carries out whatever actions are necessary to support the decision-maker, even if he does not fully agree with the decision. For example, the son of BioLife noted that the MTA didn’t always have to “win”; in fact, occasionally losing an argument gave the MTA more credibility, not less:

“He backed the decision. He says ‘I disagree with it’ but the decision still was open but I’d say that aspect of the professional part of listening to the thing, making his opinion, keeping it, being true to himself, he didn’t change his mind but without getting too attached or too emotional to it. The point was very strong and I think made him I’d say recyclable for other decisions.”

Conversely, Dutton et al. (1997:418) found that if an issue-seller failed they lacked “the political protection that comes from successful past selling attempts”. In contrast, the MTA was able to “recycle” themselves by accepting and supporting decisions.

Ocasio (1997) suggested that focused attention emerges through interrelations. The MTA is able to focus and influence the attention of the decision-maker by combining these three attentional process facilitators. My findings above then lead to the second proposition:

Proposition 2: Advisors will be better able to influence the attention of the decision-maker when they possess a sense of self in relation to others, sense of self in contribution to the whole, and a decision bias to others in relation to self.

Indicators of Mindful Governance

I found that MTAs help decision-makers craft encompassing decisions that affect both the family and business, via attentional enablers and process facilitators. MTAs also help establish collective direction by facilitating an environment of unifying structures to connect members to one another. I label this ‘mindful governance’. Mindful governance consists of two parts: *mindful* and *governance*. To be *mindful* is to be aware of one's thoughts, actions, or motivations (Langer, 1989). Individuals who are mindful anticipate weak signals (Weick & Sutcliffe, 2001) and attend to subtle cues (Levinthal & Rerup, 2006) resulting in more critical thinking. I define *governance* as the process of making decisions, and the methods by which those decisions are implemented or not implemented. I define *mindful governance* as an increased awareness of the thoughts, actions, and motivations of the decision-making process and the methods by which those decisions are implemented, or not implemented. There were two main second-order themes that make up the dimension indicators of mindful governance. These were ‘crafting a more encompassing decision’ and ‘collective direction’.

In an environment of mindful governance, the decision-maker's schema is challenged, resulting in more encompassing decisions. Schemas comprise the range of issues and answers the decision-maker perceives and attends to (Ocasio, 1997). Ocasio's (1997:188) attention-based view argues that what decision-makers attend to depends on their focus of attention, situated

attention, and structural distribution of attention. While Ocasio (1997) concentrates on organizational attention in the context of the firm's procedures and activities, I develop a model that teases apart the role of the individual and explores how attention is captured and influenced. Decision-makers can only attend to a limited number of issues and answers because they have a selective focus of attention (Ocasio, 1997; Simon, 1947). MTAs expands this consciousness by directing attention to issues that impact both the firm and the family. For example, several of the MTAs suggested that decision-makers often concentrate on the business first; their identity is intertwined within the firm. MTAs ensures the decision-maker understands the implications that his decisions may also have on the family. They challenge the decision-maker's repertoire of issues so that there is a larger consciousness of answers from which to draw. In situated attention, the decision-maker's focus is triggered by the characteristics of the situation, which in turn influences their actions (Ocasio, 1997). In a FCF context, there are often emotional conflicts that may trigger reactions. MTAs help mitigate and deflect that focus of attention. I found that MTAs encourage decision-makers to "reflect", "go slower", and "stop and think". MTAs do not change the situation context, but they help decision-makers "see the big picture".

In the structural distribution of attention, the decision-maker concentrates on a set of issues and answers using established procedures and communications (Ocasio, 1997). Decisions evolve through the interactions of the group that result "from the organization of communications and procedures" (Ocasio, 1997:192). These communication and procedural channels, also called attention structures, are based on the firm's rules, resources, and social relationships. Ocasio's (1997:196) "rules" are shaped by the history and culture of the organization; they constitute "assumptions, norms, values, and incentives" that both guide and constrain what decision-makers attend to and how they respond. I found that even though MTAs

share the same values as the decision-maker they are not necessarily constrained by the rules. Instead, they question underlying assumptions and often operate outside the norms of the firm, thereby helping to shape the enactment of issues and answers. The MTA is able to positively influence the decision-making process, by challenging the norms of the organization and the attention structures of the decision-maker. These findings differ from other studies that also draw on the attention-based view. For example, Dutton et al. (2001:728) found that not adhering to norms “was viewed as potentially jeopardizing one’s case”. In contrast, MTAs are attuned to the norms of the organization, but they can work around them when giving advice. Advice that challenges organizational norms pushes the decision-maker to reflect on the decision and the decision-making process, and think about the issue from a different perspective. The result is a “better decision”. The owner of Telco describes this process:

“I move quickly; too fast sometimes. I’m an entrepreneur. I don’t pussyfoot around. If I have a good idea, we phone now...So if I wanted to hire somebody because it met my profile and made a lot of sense, and (MTA) would say ‘I wouldn’t hire that person’. I may decide not to proceed with the hiring of the person, not doing what (MTA) told me but because there’s a different opinion, that makes sense there’s more to this than I thought. He’s opened another door. ‘My god, (owner), easy does it’. So in that sense, I wouldn’t take his advice but because he said that, it got me to do better. I did a better decision.”

The other indicator of mindful governance was that the MTA encourages ‘collective direction’. Developing and communicating individual representations, or senses of self in relation to others, is important in facilitating collective direction. The MTA tries to improve the family members’ understanding of themselves in relation to the others. Family-controlled firms are tightly intertwined, with dense interrelations; they are tightly coupled and interactively complex. In this regard, the MTA’s facilitator role can improve collective direction-setting and subsequent action. However, if the processes are highly centralized (e.g. concentrated in the hands of the MTA) group members can lose the ability to respond to collective direction at the

group level (Weick & Sutcliffe, 2001). Centralization and decentralization must be finely balanced. It is important to note that the MTA can only create an environment for collective direction-setting as far as the members assume responsibility for their own interrelations, which is linked to the members' capacity for mindful governance. When individuals in a group attend to "the local situation rather than the joint situation", they act less mindfully towards one another (Weick & Roberts, 1993:371). "To act with care, people have to envision their contributions in the context of requirements for joint action" (Weick & Roberts, 1993:372). For example, the owner of BioLife described how the MTA helped the family to think about themselves as a group:

"And also the other thing is the family itself, the siblings have to think of themselves not what's good for themselves individually. They have to think of the group, what's good for the group, and once they start thinking just for themselves, everything is gone anyhow. The day they don't want to be together, they won't be together."

My data analysis suggests that mindful governance is a process consisting of a set of interrelated activities. Mindful governance is therefore not accomplished by the MTA alone, but by the interrelated activities and the degree of mindfulness and heedful interrelating of the members. It is through the interrelations of members that decision making occurs (Ocasio, 1997). As portrayed in Figure 3, the enablers capture attention, attentional process facilitators influence that attention, and together they shape the outcomes of mindful governance. The model represents the role of one individual in the collective – the MTA. One can envision many such interrelated models for individual members, each capturing and influencing attention that either leads to, or detracts from, mindful governance. What the decision-maker pays attention to will vary on the procedural and communication channels (Ocasio, 1997). Those who better understand and enact the three process facilitators will be more likely to influence attention. This leads to the development of the third proposition:

Proposition 3: Advisors will be better able to encourage an environment of mindful governance when they possess both attentional enablers and attentional process facilitators.

CONCLUSION

This research contributes to our understanding of the role, characteristics, and competencies of the MTA and the value they provide to FCFs. Yet even more broadly, my research develops insights into the enablers of capturing and influencing attention; my findings contribute to previous work on the attention-based view (e.g. Ocasio, 1997) and issue-selling (e.g. Dutton et al., 1997; Dutton et al., 2001). My study also begins to unravel some of the micro-processes that comprise the concepts of representation, contribution, and subordination in Weick and Roberts' (1993) work on the collective mind and heedful interrelating. Lastly, this study provides an alternative view on the antecedents of effective and efficient governance. The MTA adds value by encouraging an environment of mindful governance through helping the decision-maker to craft more encompassing decisions and to develop collective direction. In this way, my work is situated at the interface of attention, collective interrelating, and governance.

I refer to Bouquet and Birkinshaw's (2008) work on attention, voice, and weight by returning to the individual level roots of voice and by teasing out the individual level attributes of weight. Bouquet and Birkinshaw (2008) studied how subsidiaries capture the attention of the parent organization, but they did not distinguish between capturing and influencing attention. I separate these two phenomena and identify the processes whereby attention is captured and influenced. My study is focused at the individual level, but my findings might also have implications for how subsidiaries influence a parent organization.

My study contributes to Ocasio's (1997) work on attention by identifying two separate phenomena: (i) attentional enablers that capture attention, and (ii) attentional process facilitators

that help influence attention. These enablers and facilitators differentiate the MTA from other types of advisors. Ocasio (1997) argued that interactions are important in affecting attention and that they have a central role in formulating corporate strategy. My study begins to show empirically how interrelations, and how they are shaped and conducted, are critical in influencing that attention. In this study, I have argued that capturing and influencing attention are central to formulating a model of mindful governance. This study also contributes to the research on issue-selling (Dutton et al., 1997; Dutton et al., 2001); my findings both agree with, and differ from, past studies in this area. For example, I found that MTAs act and think outside of organizational norms. They are able to influence attention by playing devil's advocate and pushing norm standards. Their motives are not selfish, but focus on the best interest of the family.

I contribute to Weick and Roberts' (1993) concept of heedful interrelating and the collective mind by a) applying their concepts in an environment other than hazardous settings, b) recognizing the importance of individual relational and structural characteristics in the process of capturing attention, c) teasing out the individual level attentional process facilitators that influence attention, and d) identifying outcomes (mindful governance) that differ from previous work on interrelating. The processes of sense of self in relation to others, sense of self in contribution to the whole, and decision bias to others in relation to self, correspond closely with the concepts of representation, contribution, and subordination. This study highlights how these three concepts can be utilized to result in more mindful governance. Outcomes vary as a function of the degree of the attentional process facilitators. When the mindful governance system is working well, it helps craft more encompassing decisions, provides clear direction, anticipates needs and failures, encourages open heedful communication, and guides collective direction.

This study has several implications for both family businesses and decision-makers in general. First, it highlights the importance of the MTA role. The MTA helps make more issues and answers available to the decision-maker; he questions assumptions and norms and encourages the decision-maker to craft encompassing decisions. MTAs also help manage family dynamics and the interrelations between group members, assisting members to understand their respective roles and interactions, resulting in collective direction. If difficulties in interrelating are partly to blame for FCFs failing after the first generation, then the MTA role may be an important resource. A second managerial contribution are the insights into why some FCFs are more successful than others at managing interrelations between the firm and the family, and at passing the firm to the next generation. FCFs need some sort of linking mechanism to facilitate the merging of the business and family systems. Successful MTAs may be able to do just that, by employing the attentional process facilitators that influence attention.

Third, in follow-up interviews, MTAs observed that my model is a good profile of the ideal MTA. One MTA said: *“I don’t believe I do all of these things well as I should; I’m not good at always reading the family, not always swift on the pick-up”*. This not only suggests that families need to look for certain qualities and competencies in their MTA, but also that these skills may be learned. If processes such as sense of self in relation to others, sense of self in contribution to the whole, and decision bias to others in relation to self can be taught and developed, the effectiveness and efficiency of the MTA can be enhanced. Lastly, my findings may also be extended to other types of governance structures, such as the advisory board, board of directors, or even peer advice networks. In a board setting, board members with more voice and weight, who enact the three process facilitators, may be better able to capture and influence the attention of CEOs and other decision-makers.

This study is not without its limitations. The case study data comes from a single type of ownership structure –FCFs. As a result, my arguments are most readily generalized to similar ownership structures. This may limit the external validity of the findings. Second, I made many attempts to speak with families and MTAs who had had an unsuccessful relationship, but firms were hesitant to discuss negative outcomes. Four of the six cases described negative MTA relationships that they had either experienced personally or heard about through other colleagues, but I was not able to speak with these MTAs directly. I tried to minimize this difficulty by being cautious when interpreting my results and by going back and conducting member check interviews of my findings. Despite these limitations, I do not believe that they diminish the study’s findings.

A possible area for future research is the conditions that need to exist for the MTA to function effectively and efficiently to ensure the family’s interests are met. The data revealed that an MTA needs an appropriate environment to carry out their role effectively and efficiently, but investigating this issue was beyond the scope of this study. Interviewees noted that it takes time to build a relationship with the family, time to establish voice and weight, and time to develop trust. The MTA1 of Telco said: *“If the family takes too long to develop trust in the MTA or provide the right kind of environment, then the person might get discouraged; both sides must work in harmony and react appropriately. One can only move things that want to be moved”*. Future researchers may also consider exploring the individual themes and constructs that were identified in the model through surveys, participant observation, and in-depth interviews. For example, one of the first-order themes identified was “acting with suspicious trust”. Weick et al. (1999:96) argued that “trust has a problematic stature” in the literature on collective mindfulness;

my study suggests that acting with suspicious trust is integral to the role of the MTA, but there is more work to be done on how suspicious trust is developed and maintained.

While the original scope of this research was to explore the role of the MTA in FCFs, what emerged from the data analysis was a model of mindful governance that identifies attentional enablers, attentional process facilitators, and the subsequent outcomes of mindful governance indicators. The result is a study that tells the story of the MTA. My work has gone far beyond the initial scope of studying the MTA role, to include a conceptual model of mindful governance with theoretical implications and considerable insights into how FCFs may establish a more effective and efficient governance structure of individual and collective decision-making.

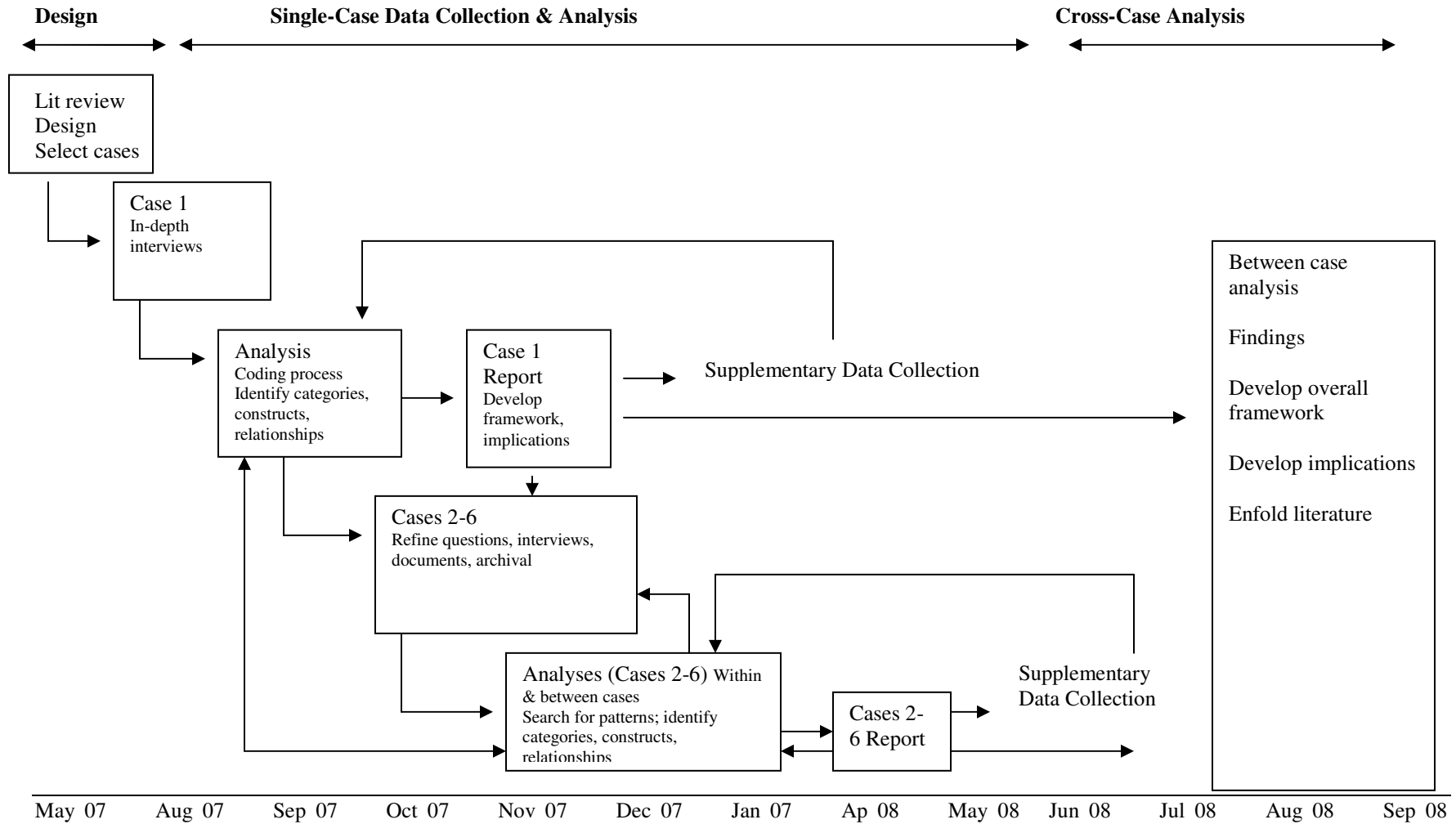
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FIGURE 1
MULTIPLE CASE STUDY DESIGN



**FIGURE 2
DATA STRUCTURE**

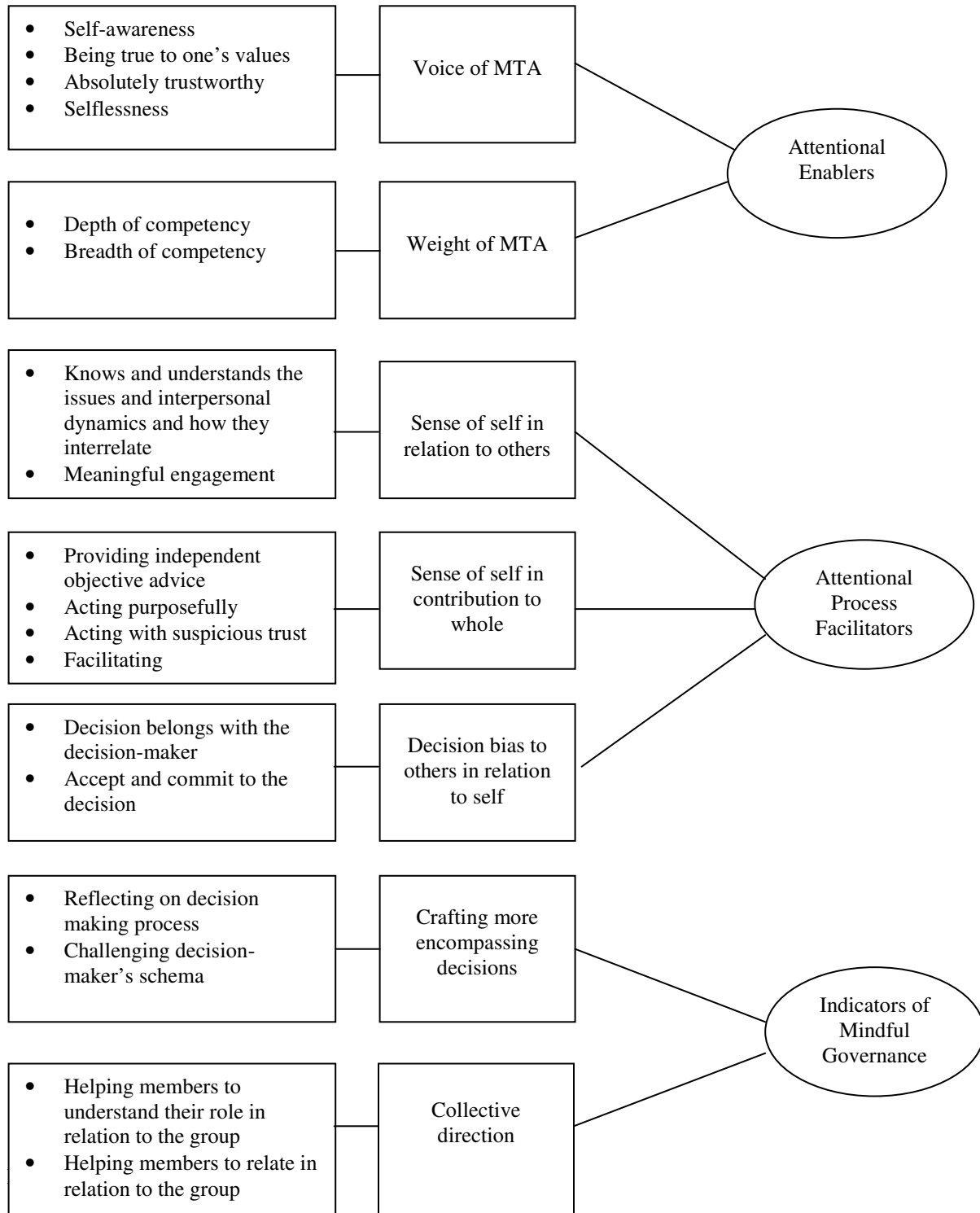


TABLE 1
DATA SUPPORTING THE THEME “VOICE” AND “WEIGHT”⁷

| Associated First-Order Concepts | Representative Quotations |
|---------------------------------|--|
| Self-awareness | 1.1 “You asked me about what makes this person strong. I think he didn’t always have to win.” (BioLife -Son1) |
| | 1.2 “Yes, you have to have a good working relationship so that you can sit down and there isn’t an ego involved in it, like ‘I’m right, damn it all I’m right’ and you can’t have that situation because that means there can’t be trust if egos start getting in the way.” (Invest 4U -O) |
| True to one’s values | 1.3 “You know, I just thought of something, a most trusted advisor is someone you can’t buy. You don’t buy the title. You don’t say ‘I will pay you’. It’s not a question of a monetary...” (Telco -O) |
| | 1.4 “One of the first experiences I had with (owner) is when he asked me to sign his Dad’s passport. I am a CA; I can sign passports. I am supposed to know the person for two years. I never met his Dad and I refused to sign his passport. And I thought ‘oh boy, there’s a career limiting move’ but I said ‘look, I use my CA if I sign a passport. I’m a man of principle. I am sorry, I can’t do it.’” (Invest 4U -MTA) |
| Absolutely trustworthy | 1.5 “I think you have to be trusted. The person has to have complete confidence in you. You have to have total discretion. I guess, honesty, frankly.” (Global Inc. -MTA) |
| | 1.6 “So he has our complete trust. When he brings a document to me, I don’t read it. I sign it. And I don’t do that with anybody – anybody else. (MTA) is the only one.” (Telco -O) |
| Selflessness | 1.7 “There’s a real sense that I need to know this is somebody who I can talk to who is going to be thinking for me, not for their own personal gain for their own advancement. They are going to put themselves in my shoes.” (BioLife -MTA2) |
| | 1.8 “And if you know that they’ve always got your best interest at heart and not a self-serving sort of thing, it’s really an extraordinary thing to have.” (Invest 4U -O) |
| Depth of Competency | 1.9 “I’ve been a lawyer for 25 years. I worked for a family for 5 years so I’ve had – I’ve seen a lot of different situations and you try to extrapolate – you try to bring a body of knowledge that you have invested over years to a situation and say ‘I’ve seen this happen before. I see this happening right here again, the same sort of thing. This is what I’d advise you to do’. And that’s good advice because it’s actually based on something that you’ve seen in the past.” (BioLife -MTA1) |
| | 1.10 “I liked him from day one and he has just great, great common sense and he makes decisions quickly. He’s a very special person....nobody takes the place of (MTA1). Nobody. And in some of the things he will tell me I will completely disagree with him too. It’s not like he’s God. He ain’t God but nobody has a head like him.” (BioLife -O) |
| Breadth of Competency | 1.11 “I think certainly the experience you have is important for someone who is willing to be a trusted advisor. I’ve got a very broad level of experience so that brings value to the table. You’ve got to be able to see the forest for the trees. See sometimes when you are too experienced you get too involved tactically and you’ve got to have a strategic view. (Packers Plus-MTA) |
| | 1.12 “I think that I know because I have the MBA, the law degree, arts degree, worked in the fishing industry, different kind of place in the Maritimes, you develop a sense about what you really don’t know and when you need help, but what you do know is you know the questions to ask, and to me if there is one thing that I contribute, I think it’s knowing the questions to ask and knowing when I need help, expertise help whether it’s tax or legal or accounting or whatever.” (Telco -MTA1) |

⁷ The following abbreviations have been used for the roles of the interviewees: Most Trusted Advisor to 1st generation: MTA1, Most Trusted Advisor to 2nd generation: MTA2, Owner: O, Spouse: Sp, Oldest Son: Son1, Youngest Son: Son2, Daughter: D.

FIGURE 3
CONCEPTUAL MODEL OF RELATIONSHIPS BETWEEN ENABLERS AND FACILITATORS OF MINDFUL GOVERNANCE

