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From family business orientation to organisational citizenship behaviour: prosocial behaviour in family business performance

Prosocial behaviour in family business

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Aluisius Hery Pratono

Faculty of Business and Economics, Universitas Surabaya, Surabaya, Indonesia, and Ling Han

Gender Studies Programme, The Chinese University of Hong Kong, Hong Kong, China and Asia Centre for Social Entrepreneurship and Philanthropy, National University of Singapore, Singapore, Singapore

Abstract

Purpose – This article seeks to understand the role of prosocial behaviour and moral obligation in family business to explain the indirect relationship between family business orientation and citizenship behaviour. **Design/methodology/approach** – This study proposes a model to examine the role of moral obligation and prosocial behaviour in such a relationship to understand a link between family orientation and organisational citizenship behaviour. The authors provide empirical evidence to test the hypothesis by conducting an online survey of family business behaviour in the Indonesia context.

Findings – The family business orientation has a significant impact on citizenship behaviour, while prosocial behaviour and moral obligation offer an additional contribution. The results suggest that family business performance demonstrates how a family that owns the business sets the social purposes from various performance alternatives beyond profit, such as family orientation, prosocial behaviour, moral obligation and organisational citizenship behaviour.

Originality/value — This study extends the agency and stewardship theory by examining how family business performance becomes different from other firm performance where the mainstream of economic theory argues that the business attempts to maximise profit for the stakeholders. The findings suggest that incorporating the theory of social practice in family business enhances the concept of prosocial behaviour in family business value.

Keywords Family business, Prosocial behaviour, Moral obligation, Citizenship behaviour **Paper type** Research paper

1. Introduction

Family business performance is essential in the study of business strategy as the performance represents a fuzzy boundary between not only family and business but also the stakeholders. The business families influence the firm identity by transferring values and beliefs of the family owners, which involves a process based on the interpretation of the family identity (Wiesma and Brunninge, 2019). Therefore, the nonfinancial performance in family business seems to become more relevant than a financial goal because the controlling family allows for more considerable managerial discretion in the decision-making process (Chadwick and Dawson, 2018).

Family business orientation refers to a strategic posture of family-owned companies in which family members pursue their family vision, values, beliefs and rules through



controlling membership coalition (Lumpkin *et al.*, 2008), (Basco, 2017). Lumpkin *et al.* (2008) develop the concept of family orientation based on family system theory and family therapy literature. Basco (2017) identifies various types of business orientation in the family, such as stewardship business-oriented goal, family-oriented economic goal and business-oriented goal at various time frames. The adoption of informal organisational structure has led to participatory governance that accepts various levels of conservative social and financial purposes following the dynamic family relationship (Samara, 2020).

The pursuit of multiple goals by the family shows how the family attempts to control the business in distinguish from others (Melin *et al.*, 2014). Traditionally, family firms have been associated to both positive and negative features in their relationship with the stakeholders, which is related to different orientations towards social purposes (Déniz and Suá). Most of the studies in the family firm focus on the financial goal to measure family business performance rather than nonfinancial goals (Williams, 2018). The major studies in family business research used subjective measures of multiple financial returns (Hernández-Linares *et al.*, 2019). Hence, nonfinancial performance becomes an alternative and complementary approach to measure family business performance (Chadwick and Dawson, 2018).

The constellation of goals combines the traditional discrimination between business and family orientation, which rooted in the fact that the family concerns about financial purposes but also invests in social and emotional resources (Basco, 2017). The family workers may work with the extra role, and discretion behaviour promotes general well-being as a self-handicapping strategy in an organisation, which is associated with organisational citizenship behaviour (OCB) (Pond *et al.*, 1997). The relationship between family firms and local communities provides some benefits from customer advocacy to customer-to-customer support, which helps to develop better services (Assioras *et al.*, 2019).

Economic transition provides an appropriate setting to provoke prosocial behaviour for consumers beyond economic motives, such as enjoyment, altruistic concerns, animal welfare and political motive (Padel and Foster, 2005). Social purposes in family business determine how the decision in resource deployment, family identity, which in turn needs further examination on the effects of family management in the business (Gils *et al.*, 2014). The established social capital of the family becomes potential resources of competitive advantage to the family ventures (Odom *et al.*, 2019). However, the phenomenon of OCB in the family business context is less known (Rosenbaum *et al.*, 2012), while the family business becomes dynamic over the last decade. According to the survey of PricewaterhouseCooper (2019), the young generation of a family business in Asia tends to provide responsibility to lead a specific change project or social initiative (PricewaterhouseCoopers, 2019; PricewaterhouseCo, 2019)

On the other hand, business families demonstrate notorious and long-standing inequities in the industry by adopting unfair and discriminate nepotism (Gorji *et al.*, 2019). However, families may become fearful that their wealth and business success will somehow lead to unmotivated children. The unexpected trouble may arise when the young generation attempts to make a mark on the business, but the seniors have not yet regarded them trusted enough for changing the corporate culture (Walsh and Francois, 2019). If family business orientation involves a broader array of social stakeholders and more vigorously pursues prosocial behaviours, then through what mechanisms are those values conveyed and transformed into organisational behaviour?

This study aims to identify the role of the family businesses in OCB by examining the relationship between family business orientation and OCB. We propose a structural equation model derived from the literature, which involves prosocial behaviour and moral obligation to explain the indirect relationship between family business orientation and citizenship behaviour. The hypothesis tests rely on a family business survey in the Indonesia context

followed by a discussion over theoretical and managerial implications. The survey involves four constructs that we adapt from literature.

2. Literature review

This study underpins two mainstream theories: stewardship and agency theories, which seek to understand the motivation of human behaviour to fulfil the ambition of the family members who own the business. The agency theory has a different assumption from the stewardship theory (Samara, 2020). Agency theory mainly assumes that individual utility is the main motivation in establishing a relationship between principal and agency (Davis *et al.*, 1997a). This theory argues that individuals attempt to pursue self-interested purposes, which poses a conflict of interests between the employees and the principle (Chrisman, 2019).

On the contrary, stewardship theory argues that opportunism in family businesses does not always present conflict of interest due to the stewardship responsibility in which a manager prides himself on being a steward of the business organisation that he is associated with (Davis *et al.*, 1997b). The decision-making in family businesses seems to be a rational choice, even without considering the costs of that decision from each generation. Hence, family ventures experience a situation where they never intended to pursue a value that springs from incremental decisions that requires work and vigilance from each generation (Loreto and Lachenauer, 2019).

Both theories demonstrate an overlap system, comprising commercial and family orientation that provides a unique value, which can be suitable for resolving the business problem (Ramadani and Hoy, 2015). For a family business, the willingness to support social activities should be in line with the family, which may bring them to collaboration with partners with the similar values and further enhancing the efficiency (Spieth *et al.*, 2019). The firm principle plays a pivotal role in employee behaviours in family businesses through management philosophies of the principle, psychological mechanisms within an individual and context mechanism within societies (Chrisman, 2019).

2.1 Family business orientation

The family firm can gain support from the family member not only when financial problems arise but also when the firm needs advice about how to deal with business problems. The family orientation allows flexible time for the family workers in the industry, and other firms consider growth as not a strategic objective (Powell and Eddleston, 2013). The treatment for family employees allows the organisation to achieve an expected performance for a better competitive advantage (Samara and Arenas, 2017). Family value is the essential element for a family venture, which covers the relationship and interaction with the stakeholders (Diaz-Moriana *et al.*, 2019).

As the family councils have a pivotal role in the business, the family business may concern family unity by creating formal processes within the family system (Peterson and Distelberg, 2011). In some cases, family members need to have experienced at different firms before joining the company that belongs to their family. In contrast, others encourage family employees to spend enormous time in their family business without additional pay (Samara and Arenas, 2017). A family business develops a strategy to deal with emotions by imposing a regulation, while others prefer to reach an agreement (Huy and Zott, 2018).

2.2 Organisational citizenship behaviour

Organisational citizenship is a quite new idea, where the previous literature highlights the role of commitment to corporate citizenship to create stronger ties between the family, employees and the communities to which they belong (Tichy *et al.*, 1997). Hence, OCB refers to

nonrequired contributions in the organisation to help and support particular persons to promote a better immediate workgroup and the environment with discretionary levels of conformity to organisational rule (Organ, 2015). OCB is a set of behaviours that sustains or enhances the cooperation system of the organisation but is an informal system. OCB has an essential evolutionary function for humans allowing them to become dominant animals in the world (Li *et al.*, 2015). The behaviour includes such activities as helping co-workers for discretion or taking for granted is essential to the organisation with multiple goals (Pond *et al.*, 1997). OCB supports employee's discretionary behaviours to contribute to the effective functioning of the organisation (Habeeb *et al.*, 2019).

Family orientation is an essential indicator for OCB, which indicates that family-oriented care needs improvement through enhancing OCB and organisational commitment (Mahooti et al., 2018). Vice versa, family conflict brings a negative impact on employee OCBs (Lambert et al., 2013). Work interference and OCB become more robust when the employees gain prominent decision authority, which indicates the reciprocity of resource exchange (Yu et al., 2018).

In a family business, it is essential for the employees, especially the family workers, to help each other by sharing ideas related to knowledge with a fruitful direction. The knowledge acquisition requires joint efforts that involve a supporting system from the family members (Hart *et al.*, 2016). Previous studies concern on the role of family involvement in social mission as a driver of OCB. The participation of the family in firm ownership may provide not only a positive impact on social values through diversity, environment and employee orientation, but also harmful impact due to greed and irresponsibility (Campopiano *et al.*, 2019).

The extra-role behaviours help the family business to develop interaction between family harmony and adaptability (Eddleston and Kellermanns, 2018). Building a relationship between family members from a different generation is quite challenging, especially when the young generation has a business orientation (Pratono and Arli, 2020). The attitude to building interpersonal relationships springs from the implementation of social initiatives to bring a positive impact on the family business reputation. Employees perceive higher organisational ethical values may be more likely to contribute to OCBs (Chen *et al.*, 2018).

H1. Family business orientation has a positive effect on OCB. On the other hand, a weak family business orientation implies a negative impact on OCB.

2.3 Prosocial behaviour

Prosocial behaviour refers to voluntary activities to provide benefit to other people by helping, comforting and sharing, which demonstrates altruistic behaviour (Clarke, 2003). Prosocial behaviour seems to be implausible in market-oriented economies (Rosenbaum *et al.*, 2012), while another study suggests that social behaviour has transformed to market economies (Pratono and Tjahjono, 2017). That individuals and organisations match according to mission shows that family business organisation motivates individuals to engage in prosocial behaviour for organisations with similar tasks (Gregg *et al.*, 2011).

The theory of social practice conceptualises prosocial behaviour, which attempts to transform economic capital into social capital, where social recognition is essential for the dominant actors (van Aaken *et al.*, 2013). Stronger impression management motives encourage prosocial motive, especially when raising voice means challenging the status quo (Barry and Wilkinson, 2015). Prosocial behaviour implies bearing costs for the improvement of the well-being of others, while anti-social behaviour often implies well-being improvement at the expense of a third party (Dimant, 2019).

In the family business, prosocial behaviour provides positive effects on the family business, especially when the name of the firm shows the self-evident identity features of the owner family since it raises the visibility of the owner-family (Wiesma and Brunninge, 2019). A unique characteristic of family ventures for a long-term orientation encourages the organisation to engage both market-based and prosocial action (Gils *et al.*, 2014). Concerning prosocial motives, the acknowledgement from the stakeholders will provide benefit to organisational recipients with various degree of OCBs (Michel, 2016).

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- H2. Family business orientation has a positive effect on prosocial behaviour.
- H3. Prosocial behaviour has a positive impact on OCB.

2.4 Moral obligation

Moral obligation refers to a duty or obligation actions that restrict people from doing activities merely based on convenience orientation (Roh and Park, 2019). The concept of obligation is different from expectation and responsibilities in interpersonal relationships, which are related to prosocial or altruistic concerns (Keller *et al.*, 2005). Moral obligations or duties are related to moral rights or claim, which accommodate the substantive theories of obligation (Zimmerman, 2007). The intention to gain appreciation from the stakeholders and expectation in the community explain why a family business engages in OCBs (Michel, 2016).

Moral obligation is a crucial element that allows firms to attract more considerable attention from customers to promote brand reputation (Bang *et al.*, 2014). The construct demonstrates the level of moral responsibility in the decision-making process (Haines *et al.*, 2008). The motivation to conduct OCBs provides the best opportunity to achieve their future goals concerning work (Halbesleben and Bellairs, 2016). A family with high moral obligation exhibits a reluctance to adopt the basic convenience-seeking tendencies (Roh and Park, 2019).

- H4. Prosocial behaviour has a positive effect on moral obligation.
- H5. Family business orientation has a positive impact on moral obligation.
- *H6.* Moral obligation has a positive impact on OCB.

3. Research method

The analysis of the structural equation model underpins two types of theory: measurement theory and structural theory. The measurement theory explains the measures of each construct, especially on how some attributes possess quantitative structure, which empirically meets the condition of quantity. This approach assumes that a researcher can manipulate and control a psychological phenomenon by proposing a hypothesis that the behavioural attribute is quantitative (Trendler, 2009). A measurement model entails the causal ingredient of realism, which demonstrates a pattern of covariation between observed variables and a latent variable (Borsboom *et al.*, 2003; Kretzschmar and Gignac, 2019).

This study concerns five constructs: prosocial behaviour and moral obligation to understand the relationship between family business orientation and OCB. The structural theory concerns the causal connections between exogenous, endogenous and independent variables based on a specific theory. This approach assumes that each latent variable or construct constitutes exact measure variables, which are perfect substitutes of the theoretical attributes (Ramlall, 2017). The constructs play a specific role in human behaviour, which are referred as latent variables. The proposed model entails a set of the relationships among latent variables with six hypotheses that examine the impact of family business orientation in OCB.

3.1 The measure

This study develops a structural equation model with four constructs, namely family business orientation, OCB, moral obligation and prosocial behaviour. As adapted from the

previous literature, we use several items to form a multi-item scale that indirectly measures the concepts. For instance, the measure of family business orientation is adapted from Basco (2017), OCB from Pond *et al.* (1997), prosocial behaviour from Brookfield *et al.* (2018). The measures use a Likert scale with five categories from (1) strongly disagree to (5) strongly agree.

Following the measurement theory that each construct causes multiple measurement indicators with an error term for each indicator, this factor analysis indicates the validity of three items for the construct of family business orientation and four items for OCB. Building on a definition of family business orientation, Basco (2017) identifies specifically that the construct of family business orientation explains the items of "quality of life at work", "family loyalty and support" and "family unity". The items for OCB consist of "suggestion to improve the firm", "orient new people", "help other who have heavy loaded" and "help other who have been absent". Each selected correspondent indicator variable explains the construct of more than 0.65, which meets a necessary condition to obtain useful results (Table 1).

Table 1 also indicates that the reflective measures for moral obligation and prosocial behaviour indicate that the same constructs cause all indicator items. The items regarding "religious activities" and "social activities" for prosocial behaviour have outer loading coefficients greater than 0.65, the necessary condition. For moral obligation, the factor analysis identifies two items, which meet the condition required: "help poor people for an ethical reason" and "family encourages to help poor people". After factor analysis for moral obligation, there are two correspondent indicator variables that explain the construct more than 0.65, which meets a necessary condition to obtain useful results.

3.2 Data collection

The data collection adopts an online survey between January and August 2018 by sending the invitation to some social media groups in Indonesia. We invite the community members who manage a family business and request them to fill the online questionnaires with Google Form. The instruction stated that the researchers would handle all data collection and analysis that remains anonymous. We also informed the respondents that their participation

The variables	VIF	Outer loading
Family business orientation My family business concerns on quality of life at work My family business promotes family loyalty and support My family business concerns on family unity	1.719 1.628 1.240	0.875 0.857 0.655
Organisational citizenship behaviour I make innovation suggestions to improve the firm I orient new people even though it is not required I like to help others who have heavy workload I like to help others who have been absent	1.357 1.551 1.313 1.576	0.712 0.768 0.711 0.817
Prosocial behaviour My family gets involved in religious organisation My family gets involved in social organisation My family provides financial support to many social activities	2.004 1.283 1.962	0.852 0.769 0.848
Moral obligation I have to help poor people for ethical reason My family encourages me to help poor people	1.607 1.607	0.892 0.904

Table 1.
The measures

was strictly voluntary. This study uses a data set with 782 useable responses after we remove data with more than 5% missing values.

The online questionnaire involves 22 questions, which consists of eight questions for family business orientation, six questions of OCB, five questions of prosocial behaviour and three questions of moral obligation. Responses automatically enter into a database, which is then followed by analysis. The target population was Indonesia entrepreneurs, who run a family business. This study uses a non-probability approach for the sampling selection method by allowing the respondents to select by themselves. The sample in the online survey incorporates the representative biases in comparison to the general population. This study uses a balanced scale and item-specific question to reduce the response bias (Kuru and Pasek, 2016).

The final sample (n = 782) comprises 389 (50.1%) women and 393 (49.9%) men. The participant age varies between 20 and 54 years with mean age of 33 years old. Most of the participants are working full-time for their family (n = 344, 43.9%), with other 23.7% (n = 179) say they work part-time, and 33.1% (n = 289) are students with support from their family business. The level of education includes high school (n = 472, 60.3%), a diploma (n = 230, 29.4%), an undergraduate degree at the university (n = 80, 10.3%).

Among 782 respondents, the largest respondents come from Jakarta Metropolitan, where 125 respondents (15.96%) stated that their firms are in Jakarta, while 112 respondents state that their businesses come from Surabaya (14.30%). Other respondents represent family businesses from Makassar (89 respondents or 11.37%), Malang (82 respondents or 10.47%) and Denpasar (80 respondents or 10.22%), while the rest comes from other small cities. The sample reported that 60% of the family businesses are home-based industry and the first generation that hired seven non-family workers on average. The respondents also stated that 38% of the observed firms meet the criteria of medium enterprises with sales range from IDR 2.5bn to 50bn per annum. Other 62% of respondents mention that the level of sales ranges from IDR 300m to IDR 2.5bn, which are considered as a small enterprise.

3.3 Analysis

This study uses partial least square (PLS) to explain how family business orientation influences OCB to deal with the less developed theory of family business performance. The PLS uses the data to estimate the relationship of the observed constructs by minimising the error term of the exogenous constructs. The proposed structural equation model attempts to explain OCB as the target construct. This approach enables the researchers to identify not only the measurement error in the observed variable but also to incorporate unobserved variable measured indirectly by mediating variables.

For the theoretical perspective, the mediating variables provide more explanation to the complex relationship between two constructs. The role of mediating variables is then to confirm the relationship between family business orientation and OCB. The literature indicates that there is a relationship between family business orientation and OCB. Still, the family business orientation does not translate into a high level of OCB.

The PLS provides three key results following the estimated model: (1) outer loadings for the measure constructs, (2) path coefficient for relationships of structural equation model, (3) the goodness of fit. The reflective measurement model involves composite reliability to examine the internal consistency (Cronbach's alpha and CR), reliability and average variance extracted value (AVE).

4. The family business in Indonesia

Indonesia is one of the Asian transition economies, where small and medium enterprises represent family entrepreneurship by gaining benefit from niche market (Dana, 2007). There

are a large number of very small-scale firms under family-owned management that use very basic technology with labour-intensive products (Van Diermen, 2018). The most challenging issue among the family business in Indonesia is how to access the right skills to promote innovation under economic turbulence (PricewaterhouseCoopers, 2018). However, some wealthy families that become the largest shareholders tend to manage the value chain with other shareholders. The family loyalties in Asia demonstrate crony capitalism by managing the intra-group of business networks (Duygun *et al.*, 2018).

The cultural and historical factors influence the type of entrepreneurs in this archipelago country, who create wealth not merely for profit but also for personal use (Dana, 2007). As the most populous Muslim-majority country, Indonesian entrepreneurship demonstrates religious activities by promoting attitude towards status, family relationship and contribution to society (Aggadwita *et al.*, 2017). The managements tend to avoid risk-taking behaviour, which implies their financial performance (Ooi *et al.*, 2019). In this country, business is associated with the activities of Chinese ethnicity that consider that the family is the primary business unit with a highly centralised decision-making process but the loose organisational structure (Brown, 2018).

The legacy of migrant workers from China from centuries ago determines the behaviour of family-owned ventures (Carney and Gedajlovic, 2002). The migrant workers began settling in the archipelago, where many of them worked as merchants or traders playing a pivotal role in the local economy but often resented and persecuted. Besides, family firms with strong political and social networks perform better than family firms without political and social networks (Joni *et al.*, 2020). The ability to become tolerant can surprisingly speed up the negotiation process, while inflexibility may lead to a bad relationship (Dana, 2007). Agglomeration triggers the households for running a business by providing business opportunities with higher population concentrations around industrial centres (Vial, 2011).

5. Findings

The evaluation of reliability contains some criteria of internal consistency. The first approach is Cronbach's alpha with coefficients varying from 0.72 to 0.76, which indicate that the composite reliability values are acceptable. Cronbach's alpha coefficient generally underestimates the internal consistency reliability regarding the sensitivity to the number of items in the scale. Hence, the second approach of convergent validity involves outer loadings and AVE.

Table 2 reveals that the coefficients of outer loading vary from 0.65 to 0.90 and significant at alpha 5%. After the removal of indicator variables with outer loadings below 0.7, the AVE of all variables has increased to more than 0.5. The results indicate that the constructs involve related indicator variables with the relevant mean value of the squared loadings. Therefore, the values show that the variance of the indicators explains each construct.

This study uses the variance inflation factor (VIF) for inner and outer to identify the collinearity. VIF value of 4.00 has a high standard error, which indicates that the variables have a collinearity problem. Table 1 shows that the VIF values in outer models are less than

Constructs	Cronbach's alpha	Composite reliability	AVE	
Citizenship Behaviour	0.746	0.839	0.567	
Family business orientation	0.722	0.842	0.643	
Moral Obligation	0.761	0.893	0.807	
Prosocial behaviour	0.762	0.863	0.679	

2.0, which suggests that there is no collinearity problem in outer models. Table 3 shows that the VIF values are less than 1.4, which means that there is no critical level of collinearity in the inner model.

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H1 is acceptable with a *t*-statistic value of 16.806 and an alpha value of 1%, which indicates that family business orientation provides a significant impact on OCB. The results confirm that family business orientation is an essential indicator of OCB (Mahooti *et al.*, 2018; Yu *et al.*, 2018).

H2: Family business orientation has a significant impact on prosocial behaviour (t-statistic = 11.614 and an alpha value of 1%). This result is consistent with the previous study, which argues that the family business orientation supports prosocial behaviour in the long term (Michel, 2016).

H3: Prosocial behaviour has a significant impact on OCB (*t*-statistic value of 9.003 and alpha value of 1%), which confirms that OCB gains support from the family business orientation to promote the family value (Michel, 2016).

H4: Prosocial behaviour has a positive effect on moral obligation with a *t*-statistic value of 5.006 and an alpha value of 1%. The results confirm that prosocial values influence moral responsibility, which in turn inhibits the propensity to help for the helper (Paciello *et al.*, 2013).

H5: The impact of family business orientation on moral obligation has a *t*-statistic value of 4.042 and a *p*-value of 1%, which indicates a statistically significant. The result is consistent with a result from a previous study, which argues that the moral order is rooted in generalised reciprocity and redistribution, where a family business makes the connection to this moral character of kinship (Collins *et al.*, 2012).

H6 is acceptable since the statistic value is 3.547 and an alpha value is 1%. The positive coefficient shows the increasing value of OCB following the raising value of the moral obligation. These results are consistent with previous findings in non-fashion retail organisations (Lee and Ha-Bookshire, 2018) and the public accounting profession, which suggests the positive relationship between moral reasoning and OCB (Ryan, 2001).

Table 4 shows the path coefficients that indicate the relationship between the dependent constructs and exogenous variables with standardised values varying from -1 to +1. The

Constructs	Citizenship behaviour	Moral obligation	Pro social behaviour
Family business orientation	1.363	1.299	1.00
Moral obligation	1.212	_	_
Prosocial behaviour	1.379	1.299	_

Table 3. VIF inner

Path	Original sample (O)	Standard Dev (STDEV)	T statistics (O/STDEV)	p values
H1: Family business orientation → Organisational citizenship behaviour	0.579	0.034	16.806	0.00
H2: Family business orientation → Prosocial behaviour	0.48	0.041	11.614	0.00
H3: Prosocial behaviour → Organisational citizenship behaviour	0.299	0.033	9.003	0.00
H4: Prosocial behaviour → Moral obligation	0.257	0.051	5.006	0.00
H5: Family business orientation → Moral obligation	0.229	0.057	4.042	0.00
H6: Moral obligation → Organisational citizenship behaviour	0.112	0.032	3.547	0.00

Table 4. The path analysis

t-values of the construct variables are higher than the critical value of 2.57, which indicate that the relationships are statistically significant. Figure 1 shows that the endogenous variables jointly explain 67.4% of the variance of OCB. The results suggest that the impact of family business orientation has the most substantial effect on OCB (0.579), followed by a family business orientation on prosocial behaviour (0.480) and prosocial behaviour on moral obligation (0.257).

6. Discussion

6.1 Theoretical implication

This study extends the discussion on stewardship theory by highlighting the role of family orientation in determining firm behaviour. The results show how management philosophies of the family that owns business determine the OCB. Although OCB is a new idea to criticise the mainstream firm theory, which argues that business organisation aims to maximise profit (Tichy et al., 1997), this study suggests that family business orientation predicts such discretionary behaviours rather than task productivity. The results confirm the previous study (Organ, 2015), which argues that discretionary behaviours support particular levels of conformity to organisational rules. The previous studies on organisational citizenship highlight the evolutionary function for individual discretionary behaviour that contributes to the organisations with multiple purposes (Li et al., 2015; Habeeb et al., 2019). This study indicates how a family that owns the business sets the social purposes from various performance alternatives beyond profit, such as family orientation, prosocial behaviour, moral obligation and OCB.

The results extend the discussion that a family firm with a capability to articulate their social motives beyond profit may be more likely to strengthen family cohesion (Loreto and Lachenauer, 2019). The findings deny that family business is associated with notorious and long-standing inequities that spring from unfair and discriminate nepotism (Gorji *et al.*, 2019). Incorporating the theory of social practice in family business enhances the concept of prosocial behaviour where family value contributes to the transformation process of economic capital in business performance. The findings confirm that the initiative to conduct OCB relies not only on financial capital but also on dominant actors at the firms (van Aaken *et al.*, 2013).

This study extends the discussion about social motives in the family business that emanates from the family identity (Gils *et al.*, 2014). The findings indicate that moral obligations are related

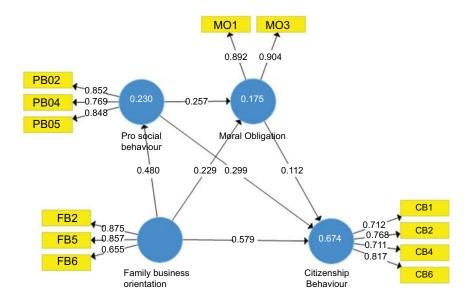


Figure 1. Algorithm path analysis

to family orientation, which extends the substantive theories of obligation (Zimmerman, 2007). Although the benefits of citizenship behaviour for organisational family business performance are clear (Odom *et al.*, 2019), future studies need to examine the different implications between family and non-family employees, who may become more equivocal about the meaning of prosocial family business performance.

6.2 Practical implication

First, a family business with concern on citizenship behaviours should consider that the jobs contain tasks that align with intrinsic motives where corporate citizenship will result in more impactful actions. The managers need to invite the family-employees to identify what kind of citizenship behaviours, which are crucial to organisational performance. However, asking the employees to adopt too much OCB may be ineffective to foster the sustainable value of the family business (Bolino and Klotz, 2017). The management in a family business should develop a set of specific and challenging prosocial behaviours for the organisation with several sub-goals for each division. Some employees may feel under pressure to perform organisational citizens, while others conduct the value to build their image (Chen *et al.*, 2018).

Secondly, the family firm should tailor their employees and family members to meet their interests by enhancing employee well-being and workgroup productivity simultaneously. Family members may perform acts of organisational citizenship because they feel committed to the family firm. A family member with high moral obligation tends convert their convenience-seeking attitude and enjoy adopting OCB than other family members with low moral obligation (Roh and Park, 2019). The initiative may include the intention to promote fair trade that encourages the industry and end customers to reward the sub-contracted workers (Pratono, 2019). While employees are family members who attempt to craft OCB, they should consider not only their own family but also those of their manager and colleagues.

Finally, family firm with concern about OCB should revise the reward and punishment system by providing extrinsic rewards to help employees stay internally driven to achieve nonfinancial motives. As the motivation to conduct OCBs provides the best opportunity to achieve a long-term goal (Halbesleben and Bellairs, 2016), family firms need to encourage their employees to get appreciation from the customers and stakeholders (Michel, 2016).

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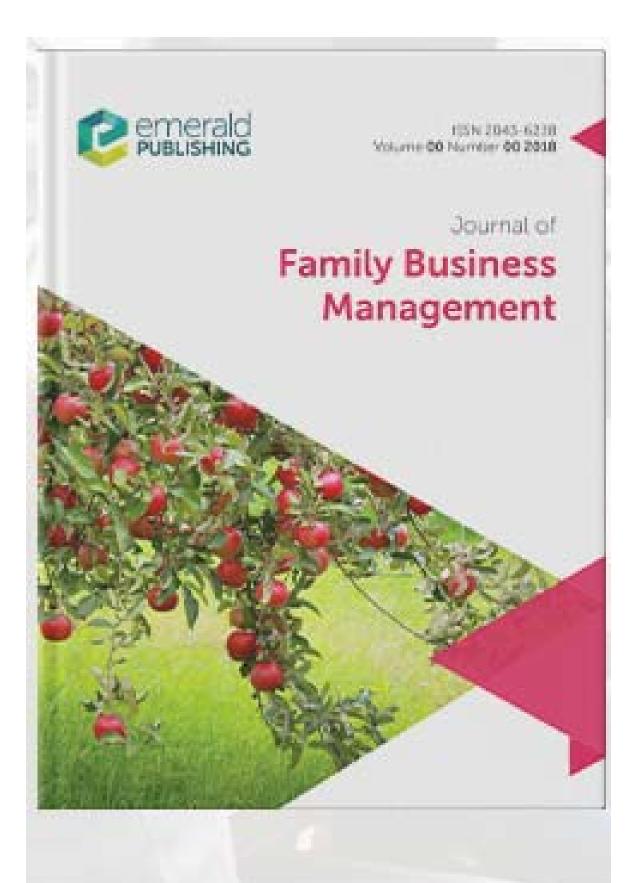
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Corresponding author

Aluisius Hery Pratono can be contacted at: hery_pra@staff.ubaya.ac.id



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