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Emotional Capital in Family Businesses: Decisions from Human Resource Management Perspective

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Abstract

Nowadays, family businesses (FBs) have become a distinctive organizational model, not only for preserving the values of their founders in times of technological, political and economical changes but also for fostering a different kind of organization surrounded by emotional ties. This is particularly interesting to the human resource management (HRM) area, because managers must take decisions aimed at achieving economic and financial goals, which often affect the emotional stability of family members. Regarding this issue, the term emotional capital (EC) appears as a set of assets based on the emotions that the organization has developed over time with their employees. This chapter examines, from the HRM perspective, how human resource choices can be affected in order to preserve a positive EC for organizations. Due to the social implications emotions have in HRM, the chapter also links corporate social responsibility (CSR) as an important management strategy, focused on meeting employees and social concerns, as a way to strengthen the emotional bonds in companies. The literature review and institutional reports pointed the characteristics of FB in Spain, describing how companies could design human resource policies and practices aimed at keeping EC. Finally, the configurational approach of HRM is used to explain the design of the best possible human resource practices adapted to a particular context like FB.

Keywords: configurational approach, corporate social responsibility, emotional capital, family businesses, human resource management

1. Introduction

The globalization and the massive technological changes have provoked the existence of giant organizational and successful models in terms of adapting their structures and goals, as well

as surviving in several environments [1]. However, these firms are becoming standardized, hence being difficult to differentiate them from neither competitors, not having the possibility of offering a unique product or service in the market. Usually, these companies appear as multinationals or franchise-type businesses, being widely distributed throughout the world. On the contrary, family businesses (FBs) usually have a unique culture based on the values and principles of their founders, producing a different product or service able to compete against these globalized organizational models [2]. Nevertheless, this competition is not so easy. There are a wide number of external issues (competitors, suppliers, customers, financial and legal aspects, institutional barriers, etc.), which significantly affect the survival of FB, and it is being particularly interesting to examine how internal aspects can produce a competitive advantage from the heart of FB. In this regard, the human capital is one of these internal aspects, which makes the difference. In FB, the new heirs of the company continue and give life to the company generation after generation, creating an important emotional stock. The emotional component in FB is attributed to a system of values and beliefs rooted in the family [2]. In this line of reasoning, some important decisions from the family members must be taken in order to preserve Emotional Capital (EC) and family relations inside the company. Different works highlight the relevance of understanding family links as a strong point of support from the HRM field [3]. Although in some cases, family members are not as qualified as other potential candidates in the labour market, their love for preserving values, commitment, sense of belonging, and attitude towards the company can represent strategic values to human resources managers.

In this sense, lately, the link between EC and FM is attracting academics attention [4]. EC has been defined in many different ways and contexts over the years. Particularly, EC is defined as 'the aggregate feelings of goodwill towards the company and how it operates, thus representing a set of assets based on emotion that the organization has developed over time with their employees' [5: 74]. Regarding this definition is the way in which the company operates, which is what determines the emotional component of employees. Therefore, the FB board direction is a key factor in the development and preservation of these emotions. Additionally, EC can be classified as a specific dimension of social capital, '*constituting an asset in which to invest resources to future expectations, though with uncertain results*' [5: 74]. Other researchers introduced the concept of EC in the field of HRM, defining it as '*the set of resources, understanding as emotional competencies that inhere to the person, useful for personal, professional and organizational development*' [6: 4] [6]. The previous contribution also linked emotional competencies with emotional intelligence models, providing some relevant skills related to emotions such as flexible planning and creative thinking [7]. These skills are determinant in the design of a configuration of HRM policies and practices, integrating the protection of EC.

2. Objectives

This chapter focuses on examining how HRM decisions can be affected by policies and practices aimed at preserving EC. In order to do this, the literature review of HRM in FB and how other social aspects embedded in CSR philosophy are examined as follows. The conceptual model, which will be proposed, is based on the foundation of the configurational approach,

which explains how the construction and identification of ideal profiles of HRM could be tailored to specific business circumstances or contexts [8–10]. Concerning this issue, FBs are considered as specific scenarios surrounded by emotional ties and circumstances where a configurational approach of HRM can be identified. The configurational proposal takes into account several characteristics of FBs based on the main institutional report of FBs in Spain. The report of the Institute of FBs [11] in Spain is analysed to identify these characteristics. The answers and opinions of 150 FB owners give us the opportunity to know more details of the Spanish FB framework. Moreover, some relevant FB reports are examined in order to complete this content analysis.

3. Family business in Spain: some relevant characteristics

Academics and professionals have a crescent interest in a deeper knowledge of the processes and resource management in FB [12, 13]. In Spain, the Global Family Business Tax Monitor [14] highlights the relevance of FB in the Spanish economy. It is estimated that, in Spain, 1.1 million companies are family owned, which represent the 89% of the total number of companies. These companies constitute the biggest source of employment in Spain. Currently, they create 67% of private employment, with a total of 6.58 million of jobs, being responsible for the 57.1% of private sector Gross Domestic Product (GDP). In the European Union, there are 17 million FBs, which also generate 100 million jobs. In comparison, in the United States, it is estimated that family businesses occupy 80% of the business production, generating 50% of private employment.

Considering the previous economical implications, the aim of researchers relies on analysing how FBs can manage and obtain competitive advantages from their management processes. Regarding this issue, human capital represents the most important asset for companies according to the human capital theory—being necessary to properly invest in education and training [15, 16]. Consequently, the HRM area has played a paramount role in the history of management, not only claiming the relevance of human capital but also showing how different human resource practices can affect strategic outcome ratios such as turnover, productivity, and financial performance [17]. Additionally, FBs develop particular environments for creating value for society. Recently, some authors highlighted the relevance of strategic intangible assets in FBs such as intellectual capital and social capital in the generation of entrepreneurial networks [18: 566]. They also emphasized that the management of these intangible assets can develop new business opportunities [18].

However, before presenting any conceptual proposal regarding an efficient HRM configuration for FB, it is necessary to examine the characteristics of FBs as particular organizations. For this purpose, we will follow the reports of the main professional institution in FB. In Spain, there are many relevant institutions working in the field of FB, but the most recognized is the Institute of Family Business.¹ Its main functions are integrating a network of family business chairs and developing

¹The Family Business Institute was founded in 1992 in Barcelona, being a non-profit organization with social aims. It received public subsidies and has a hundred of partners, most of them, the main family companies of the country, which are leaders in their sectors of activity. Source: <http://www.iefamiliar.com/>

essential trainings, conferences, and courses for institutions, entrepreneurs, and experts. Moreover, the Institute of Family Business is the largest in the world in this area, composed of 37 professors, 200 university professors, and 2000 students on an average per year in Spain.

Following the report of the Institute of Family Business [11: 3] and the consensus in interviews and quantitative reports, there are several cultural elements, which differentiate the Spanish Family Businesses Institute: (1) long-term orientation, (2) commitment to the local territory, (3) entrepreneurial spirit and sense of belonging, (4) prudence and reinvestment of benefits, (5) a model of corporate governance based on trust, (6) social commitment, and (7) agility and flexibility.

Regarding the report of the Institute of Family Business [11: 26–27], *the long-term orientation* pursues the maximization of value created over generations. One relevant example of this approach is the search of employment stability, one of the European awareness platforms clearly defined in the Horizon 2020. In FBs, retaining talent and generating loyalty to family members represent a difficult task for the human resource managers. Conversely, most of the FBs keep EC stability by preserving their family links instead of searching for new candidates in the market. Obviously, this represents an opportunity cost in training and career development for new qualified candidates but on the other hand FB preserves the same team of workers, consolidating a family network [19].

The second characteristic reflected in the report of the Institute of Family Business [11: 28] is the *commitment to local territory*. The entrepreneur has the responsibility of enriching and collaborating with his community and stakeholders (suppliers, local institutions, Government, NGO's, etc.) analysing the cost-benefit of the local business and the different opportunities. In this line of reasoning, the European Commission considered the commitment to local community and the development of CSR actions for family business one strategic priority. Companies can become socially responsible not only by following the law but also by integrating social, environmental, ethical, consumer, and human rights concerns into their business strategy and operations. Recently, some authors proposed a conceptual model to analyse HRM strategies, CSR, and EC, resulting in outcomes such as labour productivity and sustainability [21]. More specifically, the authors introduced the concept of socio-emotional wealth (SEW) as one of the drivers for better performance, adjustment, and synergies among CSR, HRM, emotional capital, and sustainability [21]. SEW can be understood as *'non-financial aspects of the firm that meet the family's affective needs, such as identity, the ability to exercise family influence, and the perpetuation of the family dynasty'* [22: 106].

The third characteristic provided by the report of the Institute of Family Business [11: 29] is the *entrepreneurial spirit and the sense of belonging*. Entrepreneurial spirit and its preservation goes hand in hand with the values of the founders and is essential for the success of the FB. Another determinant factor of FBs is the sense of belonging [23]. The sense of belonging is an essential feeling in day to day in order to accomplish a successful journey and stay closer and committed to the business project [24]. Additionally, family characteristics and networks reinforce the emotional attachment [25].

The fourth important characteristic to professionals and academics developed in the report of the Institute of Family Business [11: 31] is the *prudence and the reinvestment of profits*. Entrepreneurs defined prudence as *'the assumption of risks with a certain safety margin'*. In this line of reasoning,

different studies pointed that FB leaders go beyond profitability, pursuing businesses aims such as continuity, prudence, and growth [26]. Moreover, FBs reinvest their benefits with lower risk than other organizational models, which contribute to their stability in crisis periods.

The fifth factor recognized in the report of the Institute of Family Business [11: 33] is *corporate governance based on trust*. The affective link between business owners and family members helps to generate robust corporate governance practices [27].

The sixth factor emphasized by the Institute of Family Business is *social commitment* [11: 35]. The entrepreneurs interviewed in the report insisted that they have a feeling of gratitude towards the communities where they were born. The well-being and employee satisfaction are related to the possibility to give back to society what they received from the companies they worked [28]. This feeling of gratitude is usually greater in FBs.

The seventh factor of relevance according to the Institute of FB is *agility and flexibility* [11: 39]. The structure of the company and the family control facilitate a flexible management model [29]. Additionally, due to a higher implication of family members and owners, the strategic decisions can be taken more quickly and efficiently.

Once the characteristics of family business are defined, this chapter reaches the next step: the proposal of a conceptual model, taking into consideration these characteristics along with the configurational approach of HRM.

4. Human resource management configurations in family business: preserving emotional capital through a socially responsible orientation

The configurational approach examines how the process of combining different policies and practices of human resources, with a rational orientation, helps companies achieve improvements in organizational performance [9]. These improvements are acquired due to the multiple interactions and synergies within these human resources configurations [9–30]. There is a common agreement among researchers stating that the added value of the configurational perspective lies on the alignment between human resources practices and certain organizational and strategic elements of the company [31–34]. Regarding this issue, one of the most significant theoretical manuscripts in the field is the work of Miller [35]. Miller identified several aspects that can influence the creation of configurations of human resources. These aspects include the nature of the environment in which the activities of the company take place, the strategy used by the company to operate in this environment, the organizational structure and systems, and the values and behaviour of top management teams [35].

An important theoretical aspect of the configurational perspective, related to the improvement of HRM performance, is the ‘equifinality’ principle. This principle assumes that different combinations of human resource practices can obtain the same results in terms of effectiveness for companies [36]. Accordingly, different works suggested that human resource configurations can provide wider effects than those obtained at individual level [10–37]. In this line, these configurations can create and change employee’s behaviour generating specific

organizational routines that create value, difficult to imitate and, therefore, being a source of competitive advantage.

Other empirical works emphasize the theoretical premises of the configurational approach including the influence of a third mediating or moderating variable between the ideal human resources system and the performance variable. These studies are summarized in **Table 1**.

Authors	Configuration	Dependent variable	Mediator/moderator	Findings
Dess et al. [43]	Entrepreneur configuration	Organizational performance	Strategy and environmental characteristics	Results indicate that configurational approaches aligned with entrepreneur strategies, business strategy, and environmental characteristics affect the organizational performance of the company.
Collins and Smith [44]	Commitment configuration	Organizational performance	Trust environment, cooperation, and knowledge interchange	Commitment HRM configurations are positively correlated with an increase of organizational performance, playing interaction effect aspects such as trust environment, cooperation, and knowledge interchange.
Verburg et al. [45]	Four configurations: bureaucracy, professional, market oriented, and flexible	Organizational performance	Innovation and commitment	Authors refused the hypothesis of the adjustment between ideal configurations and other contingent variables like the strategy. However, in one of the configurations, (professional-oriented) results indicate greater performance due to higher levels of innovation and commitment of employees.
Konrad et al. [46]	Four configurations of best diversity practices	Financial performance	Strategy and institutional context	Results confirmed that three of the four ideal configurations of diversity practices are effective. As the authors stated, the configurations adapted to the institutional context had better adjustment with the internal systems of companies (horizontal adjustment) and their strategies (vertical adjustment), resulting in a better performance.
Chuang et al. [47]	High-performance configurations	Satisfaction and quality perception	Supervisor support and team support	Authors found that supervisor and team support are significant variables to achieve better professional satisfaction at work and quality perception in high-performance configuration of practices. The combination of supervisor support, performance incentives, team-work philosophy, and flexible systems provides greater employee performance.

Source: Compiled by author.

Table 1. Configurational studies.

After examining several studies within the configurational approach, it is important to note that there are ideal configurations adapted to a specific number of environments. Our proposal takes into consideration an adjustment with particular elements, which possibly affect the configuration of HRM for FBs. This proposal follows the seven factors defined in the report of the Institute of Family Business [11]: (1) long-term orientation, (2) commitment to the local territory, (3) entrepreneurial spirit and sense of belonging, (4) prudence and reinvestment of benefits, (5) a model of corporate governance based on trust, (6) social commitment, and (7) agility and flexibility. **Figure 1** illustrates this process of adjustment.

Once the theoretical contribution is presented, the chapter seeks to obtain professional knowledge from practice. Regarding this issue, the HRM configuration of FB aims to preserve a valuable intangible asset such as EC. Considering that EC can be included as a dimension of social capital, 'constituting an asset in which to invest resources to future expectations, though with uncertain results' [5: 74]. There is a natural link between EC and CSR [21]. Consequently, the development of socially responsible orientation in HRM could foster and preserve EC in companies. In order to examine the configurations and specific HRM scenarios, we selected successful Spanish FBs.

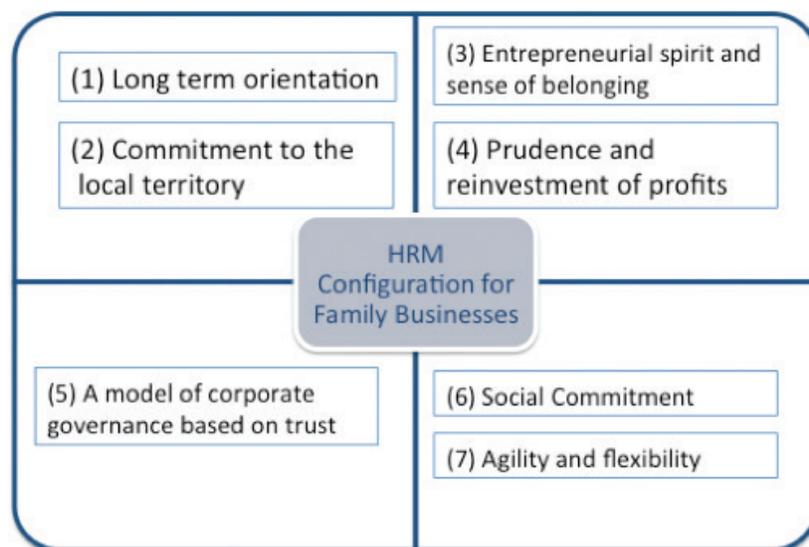


Figure 1. Factors which affect HRM Configuration for Family Businesses.

5. Methods and materials

The analysis and selection of FBs were made according to the *Global Family Business Index*, which comprise the largest 500 family firms around the globe.² The University of St Gallen delivers an interesting opportunity to view the FB scenario across the world according to

²The Global Family Business Index: The Index is compiled by the Center for Family Business at the University of St Gallen, Switzerland, in cooperation with EY's Global Family Business Center of Excellence. It provides impressive evidence of the economic power and relevance of family firms in the world. Source: <http://familybusinessindex.com/>.

the long revenue and founding year of all of the companies, as well as the sectors by colours (see **Figure 2**). In Europe, there is a great majority of FBs, which pertain to the secondary and tertiary sector, and only four European companies have been running for more than 200 years since their foundation. These details can easily be checked in the webpage provided by the University of St Gallen. Moreover, based on the definition of FBs provided in the Index, '*For a privately held firm, a firm is classified as a family firm in case a family controls more than 50% of the voting rights. For a publicly listed firm, a firm is classified as a family firm in case the family holds at least 32% of the voting rights*' (the University of St Gallen).

Eleven companies appear within the most successful Spanish companies in the Top 500 Family Business Index. Only one of them was removed from this chapter because it appears with zero employees, and it is in process of liquidation and reconversion as a new company, and hence it is not appropriate to analyse its HRM structures. Hence, 10 companies were chosen for the analysis as **Table 2** reports.

The chapter analysed the information of these top 10 Spanish FBs in order to find common patterns in excellent HR policies and practices with a socially responsible orientation able to preserve EC. A content analysis in the annual reports of these 10 companies was made in three particular areas related with CSR: human resources, environmental issues and community [38: 216]. Specifically, we focus on the human resources area and sentences, which can be understood as synonyms or being equivalent keywords such as 'talent', 'people', and 'human capital'. Moreover, we focus content analysis in the identification of patterns within human resource policies and practices (attraction, retention, selection, performance, appraisal, diversity, equity, etc.). Previous studies also confirm the utility of reporting in the identification of socially responsible patterns and concerns of companies [39].

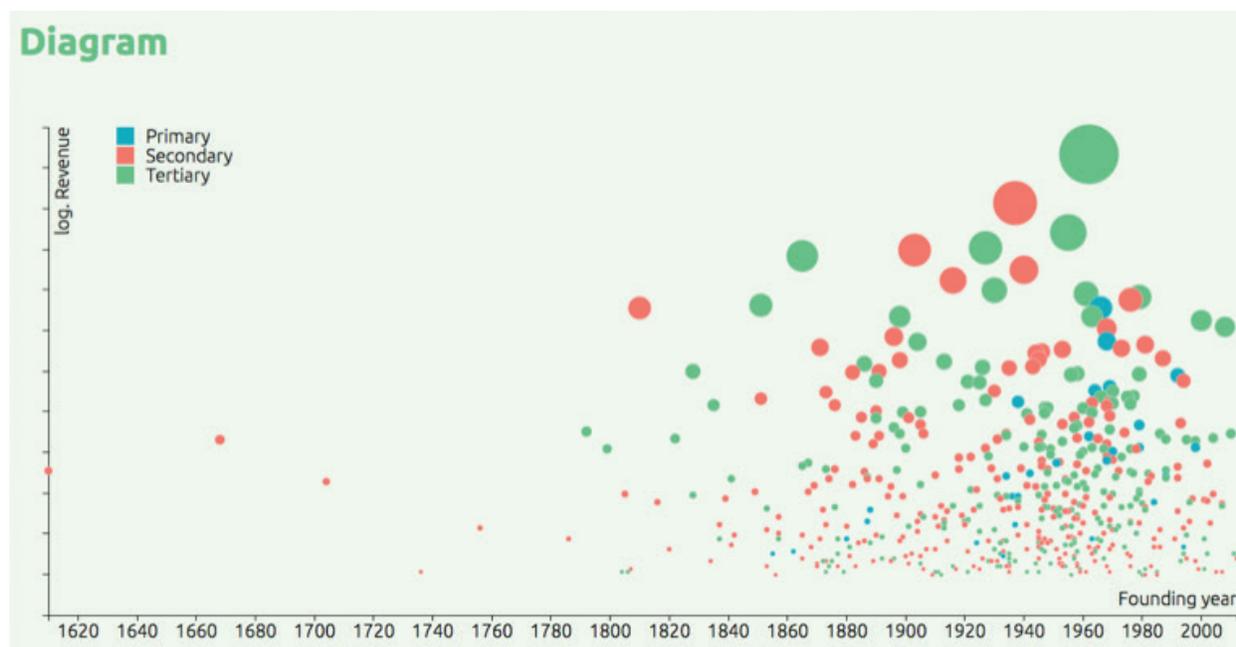


Figure 2. Family Business Scenario along the world according to long revenue and founding year.

Rank*	Company	Type	Founding year	Revenue**	Employees	Family	Share***
54	Mercadona	Private	1977	24.3	74,000	Roig family	>50.0
61	Industria de Diseno Textil SA (Inditex)	Public	1963	22.3	128,313	Ortega family	64.3
118	El Corte Ingles S.A	Private	1940	13	96,678	Areces family	75.0
142	Ferrovial S.A	Public	1952	10.8	66,098	Pino-Calvo-Sotelo family	44.8
177	Fomento de Construcciones y Contratas SA (Grupo FCC)	Public	1992	8.9	79,658	Koplowitz family	48.3
178	Acciona S.A	Public	1931	8.8	34,108	Entrecanales family	53.9
194	Corporacion Gestamp S.L	Private	1958	8	31,593	Riberas family	>50
305	Obrascon Huarte Lain SA (OHL group)	Public	1911	4.9	24,734	Villiar Mir family	44.4
394	Promotora de Informaciones S.A.	Public	1958	3.6	11,443	Polanco family	41.1
484	Grupo Antolin-Irausa S.A	Private	1959	2.8	14,800	Antolin family	100

*Rank, Ranked by revenue in US\$ billions.

**US\$ billions in 2013 or the last available year.

***Family voting rights share in %.

Source: <http://familybusinessindex.com/>, retrieved in February 2017.

Table 2. Spanish companies in the top 500 Family Business Index.

The detailed analysis of reports in HRM is presented as follows (**Table 3**).

Firstly, Mercadona specifies in its report (See Appendix I, Report II, Mercadona: 32). the relevance of the following HRM aspects: (1) a culture based on the generation of commitment through team work aimed at developing talent and strength of their members, (2) social programmes of integration by taking care of gender violence cases, (3) the increase of an economic salary base above the mean of the sector, as well as the development of a programme of economical incentives by aims, (4) an excellent performance appraisal, in which all of the employees participate from the annual profits obtained by the company, (5) work-family programmes for taking care of children, with the possibility of obtaining a childcare leave till 8 years, (6) equity programmes, (7) education as a motor drive for obtaining talent and adaptation to new professional profiles, and (8) health and safety at work audits every year.

Secondly, Inditex also includes in its report (See Appendix I, Report II, Inditex: 80-94) the identification of the following HRM priorities: (1) education and internal promotion of employees as a mechanism to foster the creativity and professional skills (attraction of talent

Family business	Sector	Description of the company	Date retrieved
I. Mercadona	Tertiary	It is a supermarket, which aims to offer the best solutions in food, personal hygiene, home care, and pets to its customers.	Annual report (2015)
II. Inditex	Tertiary	It is one of the leading fashion distributors in the world, with eight commercial formats and more than 7000 stores in five continents.	Annual report (2015)
III. El Corte Ingles S.A	Tertiary	It is a commercial and distribution group composed of companies and stores of different formats.	Annual report (2015)
IV. Ferrovial S.A	Tertiary	It is a multinational company that operates in the infrastructure sector through four divisions: highways, airports, construction, and services. It has a presence in a fortnight of countries.	Annual report (2015)
V. FCC Group	Secondary	Its basic activities are the management of environmental services and water, the construction of large infrastructures, the production of cement, urban equipment, and the generation of renewable energies.	Annual report (2015)
VI. Acciona S.A	Secondary	It is a company of promotion and management of infrastructures (water, concessions, constructions, industry, and services) and renewable energies. It has its presence in 65 countries of the five continents.	Annual report (2015)
VII. Corporacion Gestamp S.L	Secondary	It is dedicated to the stamping for automotive manufacturers, also integrating a new line of business based on renewable energies which cover the entire value chain: construction, promotion, maintenance, and operation.	CSR report (2015)
VIII. OHL group	Tertiary	It is one of the six largest business groups dedicated to construction in Spain and has more than 100 years in the sector.	Annual report (2015)
IX. PRISA	Tertiary	It is a multimedia group of communication, of radio, television, written press, and publishers located in 22 countries of Europe and America.	CSR report (2015)
X. Antolin-Irausa Group S.A	Tertiary	It is the head company of an international group, which integrates companies mainly engaged in the manufacture and marketing of automotive auxiliary materials.	Annual report (2015)

Source: compiled by the authors.

Table 3. Data retrieved for FB companies that were analysed and their descriptions.

with the programs InTalent and GoProject), (2) quality in employment through applications for employees (new technologies of information such as INet and Nhealth), (3) flexible compensation plans for employees, (4) promotion of equity, and (5) health and security concerns.

Thirdly, El Corte Ingles develops in its report (See Appendix I, Report III, El Corte Ingles: 66-74). A great concern regarding these HRM aspects: (1) the creation of effective team work, (2) the development of new professional profiles adapted to the requirements of the market, (3) internal promotion programmes aimed at developing talent, (4) recognition programmes

for employees with experience between 15 and 25 years, (5) stability programmes aimed at achieving a great number of fixed-term contracts, (6) work-family balance, (7) health and security, (8) commitment with continuous development and training for employees—new commercial trends and languages—as well as online courses, (9) the integration of diversity and equal opportunities, (10) and important social benefits aimed at taking care of children as well as providing scholarship for the studies of the employees' child.

Fourthly, Ferrovial highlights in its report (See Appendix I, Report IV, Ferrovial: 48-52) that excellent results are achieved through a committed talented workforce, showing a great concern in the following issues: (1) a great investment in education, (2) an important plan for career development, (3) the quality of leadership, (4) a collaborative culture, (5) a flexible compensation plan, (6) a detailed health and safety programme with target 0 (minimizing the number of accidents and risks) with two important projects, Safety awareness for Ferrovial Employees and Health and Safety Global Meeting, and (7) a culture of equity and non-discrimination.

In the fifth position, we examined the report of FCC (See Appendix I, Report V, FCC: 40-60), obtaining as a conclusion that the FBs have a great HRM concern in: (1) the detailed programme of health and security with standardized and labour and environmental certifications, (2) the education of their staff in all of the levels (directors, intermediate managers, employees), (3) a programme of mentoring for women, promoting the equity in all of the HRM policies, and (4) an important concern in obtaining a good collective bargaining.

In the sixth position, Acciona shows in its report (See Appendix I, Report VI, Acciona: 13) that the most important HRM concerns are (1) providing a work environment which guarantees the health and security of employees, (2) fostering the professional development, (3) Having equal-opportunities programme, and (4) having respect for the personal life of employees.

In the seventh place, Gestamp in its CSR/sustainability report (See Appendix I, Report VII, Gestamp: 70-79). Emphasized in the HRM concerns an awareness for: (1) health and safety programmes, (2) development of internal communication channels, (3) training and professional development of their workers highlighting the identification of talent, (4) a programme of equity protection for gender and disability in all the positions of the companies, and (5) a great programme of social benefits (medical insurance, food saves, childhood care practices, etc.).

In the eighth position, OHL group (See Appendix I, Report VIII, OHL group: 47-48) highlights among the strategic HRM issues the relevance of: (1) equal opportunities, (2) respectful and collaborative work environment, (3) promotion of selection of local workforce, (4) talent management, and (5) development of the activity according the highest health and safety standards.

In the ninth place, PRISA group puts emphasis in the CSR/sustainability report (See Appendix I, Report IX, PRISA group: 74) on the following HRM aims: (1) personal and professional development of workers in a respectful environment based on their skills, (2) equal opportunities and zero exclusion for all of the employees, (3) measures which facilitate the labour-family-personal life of workers, (4) continuous education and update of the training, (5) a good package of social benefits, and (6) the commitment of integrating the prevention of risks for health and security programmes.

Finally, the last position is the Antolin-Irausa Group S.A in which the report (See Appendix I, Report X, Antolin-Irausa Group S.A: 67-71) shows several HRM strategic lines: (1) talent management, retention of internal talent, and attraction of external talent, (2) internal communication as a cohesion and efficiency factor, (3) efficiency in management, (4) education as a key aspect for development of employees, and (5) Health and Safety programmes as a priority.

In conclusion, most of the Spanish top 500 FBs present similar characteristics in their HRM policies. Different authors classify the existence of socially responsible HRM policies according to CSR standards concluding that there is a great homogenization due to the new social requirements of society [40: 58] Hence, these authors validate a common socially responsible pattern, finding eight coincidences in most of the companies: (1) attraction and retention of employees, (2) training and continuous development, (3) management of employment relations, (4) communication, transparency, and social dialogue, (5) diversity and equal opportunities, (6) fair remuneration and social benefits, (7) prevention, occupational health, and safety at work, and (8) work-family balance [40]. Most of the 10 FBs examined present a great coincidence in the concern of these HRM policies or areas (see **Table 4**).

As noted before, professionals and academics work in the same direction regarding the standardization of socially responsible human resource policies and practices in order to obtain valuable outcomes. However, in practice, many companies have a unique DNA that does not match these HRM commonalities.

One of the aims of this chapter was to examine whether these policies can present effects on EC for FBs due to the potential of preserving family members as well as the difficulties in measuring this intangible aspect. Though there is no empirical evidence, other works tested socially responsible configurations of human resources and the direct effects of these policies and practices on intellectual capital [41]. The previous authors divided the intellectual capital concept into the three classical constructs, human, social, and organizational capital, obtaining some light on the

Spanish family businesses from top 500 index										
SR-HRM policies*	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)
Attraction and retention of employees	X	X	X	X				X	X	X
Training and continuous development	X	X	X	X	X	X	X	X	X	X
Management of employment relations		X		X	X			X		
Communication, transparency, and social dialogue	X	X	X			X	X			X
Diversity and equal opportunities	X	X	X	X	X	X	X	X	X	
Fair remuneration and social benefits	X	X	X	X			X		X	
Prevention, occupational health, and safety at work	X	X	X	X	X	X	X	X	X	X
Work-family balance	X		X			X	X		X	

*Proposal of standardization of socially responsible HRM policies by Barrena-Martinez et al. [40].

Source: own elaboration.

Table 4. Comparison of FB analysis in top 500 Index with SR-HRM theoretical proposals.

relevance of a socially responsible orientation for intellectual capital dimensions. Given the classification by Huy and Shipilov [5] which considered EC as a dimension of social capital, the study made by Barrena-Martínez et al. [41] can be considered as a possible pillar for obtaining, in future, empirical evidence about a socially responsible human resource configuration in the acquisition of EC in a sample of FB. Moreover, it is necessary to examine and understand how a configuration of socially responsible policies and practices can produce synergies and preserve EC.

6. Conclusions and implications

The theoretical proposal embedded in the chapter provides a detailed explanation of the value of the configurational approach of HRM in the analysis of FBs. Authors such as Delery and Doty [9] and Takeuchi et al. [34] emphasize that the ideal configurations of HRM cannot be extrapolated to the wide range of organizations existing in different contexts and markets.

However, according to the Institute of Family Business in Spain (2015), due to the particular characteristics of FBs, there are important academic implications and future empirical possibilities in testing this framework in a sample of Spanish FBs.

The implications of EC and CSR are also manifest in many successful Spanish FBs, though they do not pertain to the top 500 FBs. Barcelo Hotels Group, Sol Melia Hotels, Codorniu, or Santander Group are good examples. Specifically, *Banco Santander*³ is one of the most successful financial FB [42], viewing in its report some similarities with the top FB companies bank report (2015): (1) respect for diversity and non-discrimination in employment, (2) promotion of employment stability, labour flexibility, work-family balance, safety, and occupational health among professionals, (3) promotion of equal opportunities for all professionals, aiming to have a balanced representation between men and women in every role and responsibility, (4) to ensure that employees act under principles and standards of ethical and responsible conduct, serving the General Code of Conduct, and (5) encouraging corporate volunteering to contribute to the progress of the communities where the company operates and strengthens the sense of belonging among its professionals. However, the analysis made in the chapter has the limitation that all of the FBs only pertain to the secondary and tertiary sector, not having information of the primary sector which is very important in the growth of countries.

The design of HRM configurations is similar in most of these companies, which certify CSR standards such as Global Reporting Initiative or ISO 26,000, establishing a common pattern of what would be, in future, the socially responsible policies and practices for FB.

Nevertheless, any contribution has limitations that must be emphasized and corrected in future works. It was not possible to examine the emotional capital issue or how this capital affects HRM decisions in the report. The corporate governance reports of the year 2015, available in all of the webpages of the FBs, show that the people who have family links are working in the board or the most qualified positions of the company. This means that family

³Banco Santander Source: http://www.santander.com/cs/cs/Satellite/CFWCSancomQP01/en_GB/Corporate/About-The-Group.html

businesses make significant economic sacrifices to maintain their emotional capital. However, it would be necessary to carry out a quantitative research with questionnaires that would confirm this fact. However, in intermediate and low-skilled positions, we cannot see family presence in annual reports or corporate governance reports. Many of these positions in family businesses which present a giant grown as multinationals are hardly measurable in reports. Hence, in the future, it is interesting to specify in FBs what kind of economic and non-economic sacrifices allow in maintaining emotional capital. Another important line to develop is to raise a study in small family businesses, where it is possible to investigate, in more detail, the phenomenon of emotional capital and human resources decisions considering a less number of workers.

Appendix I. Annual reports retrieved

(I) Inditex annual report (2015).

<https://www.inditex.com/documents/10279/26309/Inditex+Memoria+Anual+2015+web.pdf/85484b58-03f5-4cf5-838a-029513d2edcc>

(II) Mercadona annual report (2015): <https://www.mercadona.es/document/es/memoria-anual-2015.pdf>

(III) El Corte Ingles annual report (2015):

http://sgfm.elcorteingles.es/SGFM/ECI/recursos/doc/Datos_Economicos/Memorias/2015/Espanol/291351135_510201613485.pdf

(IV) Ferrovial annual report (2015): <http://www.ferrovial.com/wp-content/uploads/2014/06/FERROVIAL-INFORME-ANUAL-INTEGRADO-CONSOLIDADO-2015.pdf>

(V) Grupo FCC annual report (2015):

<http://www.fcc.es/documents/21301/55130/Informe+Anual+2015/7febb33e-d634-4a25-a26f-913807b5b334>

(VI) Acciona annual report (2015): <http://memoria2015.acciona.com/d/informe-anual-2015.pdf>

(VII) Gestamp CSR/sustainability report (2015):

<http://www.gestamp.com/Documents/Memoria-Sostenibilidad-2015/Memoria-Sostenibilidad-2015-Gestamp.aspx?ext=.pdf>

(VIII) OHL annual report (2015):

http://www.ohlconcesiones.com/media/1295511/es_ia_2015_web.pdf

(IX) Prisa CSR/sustainability report (2015): http://www.prisa.com/informe-anual-2015/wp-includes/flip/Informe_de_Sostenibilidad_ES_PRISA/pubData/source/Informe_de_Sostenibilidad_ES_PRISA_13042015.pdf

(X) Antolin Hirausa Group report (2015):

http://www.grupoantolin.com/sites/default/files/grupo_antolin_informe_anual_2015.pdf

Santander annual report (2015):

http://www.santander.com/cs/cs/Satellite/CFWCSancomQP01/en_GB/Corporate/Shareholders-and-Investors/Financial-and-economic-information/Financial-report/Annual-Report.html

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