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RESEARCH ARTICLE

Behind the internationalization of family SMEs: A strategy tripod synthesis

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Abstract

Research Summary: We review and synthesize the growing literature concerning the internationalization of small and medium-sized family enterprises (family SMEs) around a *strategy tripod framework*. In doing so, we identify various resource-based, institution-based, and industry-based factors that contribute to family SME internationalization endeavors. We also pinpoint possible home-country-level and host-country-level institutional and industry-based structural–cultural contingencies that may interact with family SME resource-based factors to accentuate or impede their internationalization. Moreover, we highlight different behavioral orientations as crucial missing links that characterize the family SME internationalization scholarship. Overall, our comprehensive synthesis of the literature sheds light on how internationalization strategies of family SMEs vary based on important drivers and contextual influences captured in our tripod framework.

Managerial Summary: Family SMEs are distinct in that they possess the attributes of family businesses (family ownership and control) as well as those of SMEs (smallness, flexibility, and resource constraints). Managing these attributes may be difficult when it comes to executing important strategies such as internationalization. Family SMEs, therefore, need to be cognizant of various factors that can potentially impact their internationalization planning and success. The strategy tripod framework that we develop can provide guidance to managers in considering how resource-based, institution-based, and industry-based factors drive family SME internationalization. Our integrative framework endeavors to help managers realize how their internationalization strategies and the resultant outcomes will vary depending on how they manage the three factors.

KEYWORDS

family firm, family SMEs, internationalization, review, strategy tripod

1 | INTRODUCTION

Family-owned and managed small and medium-sized enterprises (hereafter "family SMEs") are central to the local economies around the world (D'Angelo, Majocchi, & Buck, 2016). An important theme in this literature relates to understanding what drives their internationalization (Arregle, Duran, Hitt, & van Essen, 2017; Bauweraerts, Sciascia, Naldi, & Mazzola, 2019; Hennart, Majocchi, & Forlani, 2019). Two important factors distinguish family SMEs from their nonfamily counterparts. First, owing to "familiness," family SMEs, when compared with nonfamily counterparts, have different risk-taking propensities, organizational goals, and investment preferences (De Massis, Frattini, Majocchi, & Piscitello, 2018; Kotlar, Fang, De Massis, & Frattini, 2014; Memili, Fang, Chrisman, & De Massis, 2015). Family SME managers tend to be conservative and risk-averse as they perceive that internationalization may result in loss of business control, family wealth, family reputation, social status, and heightened possibilities of family conflicts (Arregle, Naldi, Nordqvist, & Hitt, 2012; Carney, van Essen, Gedajlovic, & Heugens, 2015). Second, due to their "smallness," these firms are more resource-constrained. Such limitations lead to a lack of relevant managerial capabilities (Fernández & Nieto, 2006) that are crucial for managing complexities abroad. However, at the same time, family SMEs are also more flexible than larger firms and possess less organizational inertia, features that may prove helpful in tapping into international opportunities (Schwens, Eiche, & Kabst, 2011).

Internationalization can result in significant benefits to firms, such as leveraging existing assets, achieving economies of scope, managing fluctuations in revenue generation, and becoming stronger at home (Lu & Beamish, 2001; Sirmon, Arregle, Hitt, & Webb, 2008). However, it also involves significant resource commitment as well as overcoming various risks and complexities associated with unfamiliar locations and higher demands on managerial capabilities (Fernández & Nieto, 2006; Hsu, Chen, & Cheng, 2013).

What determines the internationalization endeavors of family SMEs? In addressing this important question, scholars have explored the antecedents, processes, and outcomes of family SME internationalization (Arregle et al., 2012; Carney et al., 2015; Hennart et al., 2019;

Majocchi, D'Angelo, Forlani, & Buck, 2018). However, extensive research surrounding this question has generated equivocal findings. Meta-analytical reviews (Arregle et al., 2017; Pukall & Calabrò, 2014) conclude that the empirical relationship between the family versus nonfamily dimension and internationalization is "null" and "too coarse grained" (Arregle, Hitt, & Mari, 2019: 809–810). At the same time, some studies point toward finding the "missing links" (Arregle et al., 2019; Eddleston, Sarathy, & Banalieva, 2019b; Hennart et al., 2019), various sources of heterogeneity (Majocchi et al., 2018), and contextual factors that may accentuate or impede the aforementioned relationship. Indeed, Arregle et al. (2017: 821) conclude that "single-country studies cannot be generalized to family firms in other countries. In fact, the contextual influence likely explains much of the mixed results in prior empirical research." As a result, it seems imperative that research on the relationship between family SMEs and their internationalization takes contexts into account.

In response, we posit that using a strategy tripod framework (Peng, Wang, & Jiang, 2008) to synthesize the existing family SME internationalization literature can add better clarity to the unresolved debates, and help us to present a more holistic picture of this burgeoning field of research that not only takes firm-specific resources (such as familiness), but also institutions and industries (or contexts) into consideration. The strategy tripod perspective holds that institution-based and industry-based factors interact with resource-based factors to jointly determine a firm's strategic choices such as internationalization (Gao, Murray, Kotabe, & Lu, 2010; Peng, Sun, Pinkham, & Chen, 2009; Su, Peng, & Xie, 2016; Yamakawa, Peng, & Deeds, 2008). Specifically, we contend that the equivocal findings are, in part, due to the nature of a relatively narrow central question on how the unique factors (the familiness and smallness) of family SMEs help or impede their internationalization strategies. Instead, we advocate a shift to focus on a broader question: *How do internationalization strategies of family SMEs vary depending on different resource-based*, *institution-based*, *and industry-based settings?* Shifting to this central question allows us to avoid the "blanket prescription approach" that often leads to conflicting findings (Miller, Minichilli, & Corbetta, 2013: 567), and enables us to add more nuances to our understanding.

Specifically, two broad contributions differentiate our article from the recent meta-analyses and reviews. First, we "step back" and examine various factors that affect internationalization of family SMEs through a novel, strategy tripod lens. Through this synthesis, we identify different mediating behavioral factors and pertinent internal and external contingencies that remain implicit in the literature. Second, we start a conversation between the literature on SME internationalization (Knight & Liesch, 2016; Lu & Beamish, 2001; McDougall & Oviatt, 1996) and that on family firm (FF) internationalization (Arregle et al., 2017; De Massis et al., 2018; Duran, Kostova, & van Essen, 2017; Kraus, Mensching, Calabrò, Cheng, & Filser, 2016). Thus, our focus is not only at the intersection of the SME and FF internationalization literature, but also at the intersection with the traditional literature in international business (IB), which primarily deals with non-SME/non-FF. Figure 1 depicts our focus.

2 | DEFINING FAMILY SMES AND INTERNATIONALIZATION

The definition of an SME varies around the world. For the purposes of this article, we rely on the locally accepted definition of SMEs (in their home countries) in the literature that we survey. For example, in the United States, an SME has fewer than 500 employees and in the

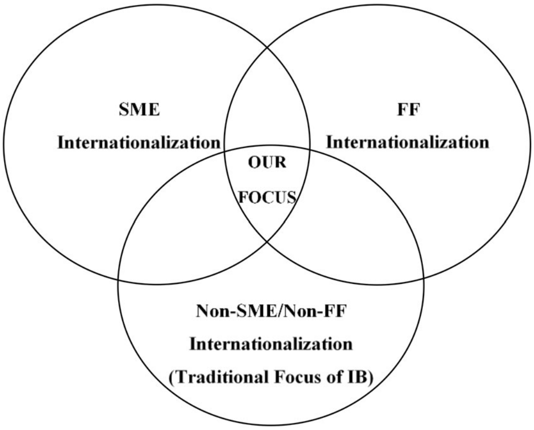

FIGURE 1 Positioning our article in the literature

European Union (EU), an SME has fewer than 250. In addition, the EU also considers numbers associated with turnover and balance sheet total to be considered as an SME.[1] We acknowledge this variation in defining SMEs and given our worldwide scope of the literature coverage, we have decided to respect authors' criteria regarding the definition of SMEs in their context.

In examining family SME internationalization (Yeoh, 2014), scholars have used different measures, such as exports (Majocchi et al., 2018; Merino, Monreal-Pérez, & Sánchez-Marín, 2015; Okoroafo & Perryy, 2010; Scholes, Mustafa, & Chen, 2016), exports and FDI (Liang, Wang, & Cui, 2014), foreign sales (Hennart et al., 2019), and international involvement (Fernández & Nieto, 2006; Shi, Graves, & Barbera, 2019). Other measures include extent of internationalization (Okoroafo, 1999), internationalization level (Casillas & Acedo, 2005), export intensity (Calabrò, Mussolino, & Huse, 2009), multinationality (Cesinger et al., 2016), and internationalization extensiveness (Davis & Harveston, 2000).

Consequently, for the purposes of this article, we define internationalization as competing outside a family SME's home country, which may entail entry modes such as nonequity modes (exports [either direct or indirect] and licensing) and equity modes leveraging FDI (such as setting up wholly or partially owned subsidiaries). In our synthesis, we include research that focuses on the scale, scope, and mode of family SME internationalization.

3 | RESEARCH METHODOLOGY

Our synthesis utilizes scholarly journals as sources of data, and follows the qualitative tradition of interpretation. We integrate various streams of scholarship such as SME, FF, IB, strategic management, and corporate governance. To identify potential publications for inclusion in our review, we performed a three-step process. In Step 1, we carefully perused four recent review articles that focus on FF internationalization (Arregle et al., 2017; De Massis et al., 2018; Kontinen & Ojala, 2010; Pukall & Calabrò, 2014). From these articles, we prepared a list of publications whose titles and abstracts indicated internationalization of family SMEs and not large FFs.

In Step 2, we searched the EBSCO Host online database for relevant peer-reviewed, scholarly publications that examine family SME internationalization. To do this, we used multiple search terms, such as "small family business," "small family firm," "medium-sized family business," "medium-sized family firm," "small and medium-sized family business," and "small and medium family firm," in combination with other search terms such as "internationalization," "globalization," "multinationality," "international diversification," and "foreign expansion." We followed this process for other databases: ABI/Inform, JSTOR, and Google Scholar. This entire process created a second list of family SME internationalization publications.

In Step 3, we compared the list of publications obtained in the two preceding steps. After deleting the common findings, we compiled our final list and studied every publication carefully. The final list contained 52 articles focusing on family SME internationalization. While a majority of the articles in our final dataset examine both small and medium-sized FFs, few articles focus exclusively on small FFs (Scholes et al., 2016) and few on medium-sized FFs (Pongelli, Caroli, & Cucculelli, 2016). While some articles examine family SMEs listed in stock exchanges (Chen, Hsu, & Chang, 2014; Hsu et al., 2013), others study unlisted firms (D'Angelo et al., 2016; Graves & Shan, 2014), and a third group uses a mix of listed and nonlisted firms (Hennart et al., 2019). Moreover, some articles compare family SMEs with nonfamily SMEs (e.g., Piva, Rossi-Lamastra, & De Massis, 2013).

4 | THE DISTINCTIVENESS OF FAMILY SME INTERNATIONALIZATION

Ownership and control by dominant families and small size make family SMEs distinct from large FFs as well as nonfamily SMEs in internationalization behavior (Kontinen & Ojala, 2012; Merino et al., 2015). Shown in Table 1, internationalization has both pros and cons for family SMEs. Internationalization can either lead to gains to both the family and the firm (Alayo et al., 2019; D'Angelo et al., 2016; Hennart et al., 2019), or cause pains (Boellis et al., 2016; Fernández & Nieto, 2005; Merino et al., 2015). Table 2 shows some representative empirical studies on this topic. The literature has revealed two broad positions about the family SME factors and their influence on internationalization: (a) facilitative and (b) restrictive aspects (Arregle et al., 2017; De Massis et al., 2018). First, a *facilitative* approach looks at the relationship from a bright lens and stresses the positive factors that may help family SMEs to internationalize. These studies are mainly based on stewardship theory and views family-based features such as alignment of interests with the firm's objectives, commitment, altruism, and trust as common bonding factors promoting internationalization, while assuaging the risk related concerns associated with internationalization (Eddleston, Kellermanns, & Zellweger, 2012; Miller, Le Breton-Miller, & Scholnick, 2008).

The opposing, *restrictive* approach—mainly based on behavioral agency model (Wiseman & Gómez-Mejía, 1998), transaction cost theory (Sestu & Majocchi, 2018), socioemotional wealth (SEW) perspective (Gómez-Mejía, Makri, & Kintana, 2010), and resource dependence theory (Naldi & Nordqvist, 2008)—argues that FFs often have conflicting goals, are risk avoiding, and reluctant internationalizers. For instance, agency theory argues that concentrated family ownership provides the necessary control to the family to reduce the information asymmetries that may exist between the owners (principals) and managers (agents). Thus, family SMEs with concentrated ownership tends to avoid potentially risky strategic choices (such as internationalization). Similarly, the studies based on an SEW perspective hold that family owners develop noneconomic, affective connections to the firm that include personal pride and a sense of identity that needs to be transferred to future generations (Bauweraerts et al., 2019; Xu, Hitt, & Dai, 2020; Zellweger, Kellermanns, Chrisman, & Chua, 2012). Specifically, members of family apprehend that internationalization may dilute their SEW stock, which refers to "nonfinancial aspects of the

TABLE 1 Effects of internationalization on family SMEs

Possible gains to family	Possible pains to family	Possible gains to firm	Possible pains to firm
Financial benefits (De Massis et al., 2018) Enhancement of family reputation, visibility, and social status (Scholes et al., 2016) Increased career opportunities for family members (Alayo, Maseda, Iturralde, & Arzubiaga, 2019) Increased security for later generations (Shi et al., 2019)	Dealing with uncertainty and additional information processing demands (Segaro, Larimo, & Jones, 2014) Dealing with resistance to change and family conflicts (Majocchi et al., 2018) Ceding ownership to external parties (Chen et al., 2014) Appointment of nonfamily managers (D'Angelo et al., 2016) Fear of losing control over business (Fernández & Nieto, 2005) Loss of reputation if internationalization fails (Merino et al., 2015)	Financial profits (Miller et al., 2013) Growth and competitiveness (Shi et al., 2019) Reputation of business (Bauweraerts et al., 2019) Organizational learning (Kontinen & Ojala, 2011)	Managerial time and organizational expenses to generate critical resources (Majocchi et al., 2018) Learning asset deployment in foreign locations (D'Angelo et al., 2016) Adapting to new environments (Hennart et al., 2019) Loss of revenues and reputation if internationalization fails (Boellis, Mariotti, Minichilli, & Piscitello, 2016)

firm that meet the family's affective needs, such as identity, the ability to exercise family influence, and the perpetuation of the family dynasty" (Gómez-Mejía, Haynes, Nuñez-Nickel, Jacobson, & Moyano-Fuentes, 2007: 106). Thus, family SME managers often remain focused on domestic markets and often shy away from internationalization even if it means missing valuable growth opportunities and financial gains (Fernández & Nieto, 2006; Hsu et al., 2013).

Noting this dilemma about internationalization in FFs, scholars have treated the decision to internationalize as a *mixed gamble*, which entails the possibility of both gain and loss outcomes for the family and the firm (Alessandri, Cerrato, & Eddleston, 2018). Recent findings also indicate that the emotional attachments to the SEW stock may lead FFs to treat family-based *heritage assets* differently from the nonfamily assets (Kano & Verbeke, 2018; Verbeke & Kano, 2012). This differential treatment, or *bifurcation bias*, in turn, leads to different strategic choices concerning their internationalization. Finally, Reuber (2016) uses an *assemblage* theory to conceptualize internationalization as a destabilizing factor in FFs routines and logic.

One would assume that the risk-averse nature of FF owners and managers and significant resource constraints inhibit family SMEs from undertaking internationalization. Yet many family SMEs internationalize successfully. A case in point are the *Mittelstands*—family SMEs from Germany that have successfully internationalized throughout the world. For instance, the luxury kitchen manufacturer Poggenpohl (a *Mittelstand*) has internationalized globally by utilizing its skilled human resources and state-of-the-art technology. Thus, like large firms, family SMEs exploit existing resources and draw on their institutional and industrial environments. However, as noted earlier, the literature does not offer a comprehensive picture of these important factors (resource, institution, industry) that come together in influencing the internationalization of family SMEs. To this end, Kano and Verbeke (2018: 159–160) comment that distinct family features, resources, practices, and both home country and international contextual influences should be taken into consideration to advance this research. Thus, one way to take a step

TABLE 2 Strategy tripod synthesis of family SME internationalization (selected studies since 2000)

Tripod considerations	Study/setting	Tripod focus	Main findings
Resource-based	Davis and Harveston (2000)/ USA	Entrepreneurial attributes (functional resource), and internet usage and technology investment (cognition-based resource) impact internationalization	Founder's education level, increased use of the internet, and increased investments in information technology favor internationalization
	Fernández and Nieto (2005)/Spain	Family ownership (structural resource), generational involvement (affect-based resource), external firm shareholding (network-based resource) and alliances with other firms (network-based resource) influence internationalization	Family ownership is negatively associated with internationalization, and (a) second and later generations, (b) investment by another firm, and (c) alliances with other firms encourage internationalization
	Majocchi et al. (2018)/ France, Germany, Italy, and Spain	Outside owners, managers (structural resource), and manager's international work experience (cognition-based resource) impacts internationalization	The presence of outside owners and managers enhances internationalization. Managerial international work experience has a positive impact on exporting, but it is relevant only in case of SMEs with family-managers
	Bauweraerts et al. (2019)/ Belgium	Family CEO (functional resource) and service behavior of board of directors (functional resource) influence internationalization	Family CEOs negatively impact export scope. This effect is mitigated by board service
Institution-based	Arregle et al. (2017)/ Multicountry	Minority investor protection regime and trust toward other nations are key institutional contingencies	While investor protection strengthens the negative effect of family firms on internationalization, trust toward other nations weakens it
	Del Bosco & Bettinelli, 2019)/ Italy and multi-locations	Role of cultural, geographic, and institutional distance in influencing family SME entry mode choices	Cultural distance is positively associated with the preference for full control. Higher geographic distance is associated with preference for JVs. Family SMEs prefer higher control modes in better institutional contexts and share ownership in weaker institutional contexts

(Continues)

TABLE 2 (Continued)

Tripod considerations	Study/setting	Tripod focus	Main findings
Industry-based	Calabrò and Mussolino (2013)/ Norway	High versus low technology industry as control variable	Family SMEs in high-tech sectors internationalize early; firms in low-tech industries follow incremental internationalization
	Cerrato and Piva (2012)/Italy	Industry characteristics as control variable	Internationalization is greater in traditional low-tech manufacturing industries

toward better understanding the distinct nature of family SME internationalization is to synthesize the literature around a strategy tripod framework—to which we turn next.

5 | STRATEGY TRIPOD

Strategy tripod is a comprehensive framework that suggests that it is the combination of three leading perspectives—the resource-based, institution-based, and industry-based views—that provides a better understanding of strategy phenomena (Peng et al., 2009). The resource-based view asserts that a firm's sustainable advantage is largely attributed to its valuable, rare, and hard-to-imitate resources (Barney, 2001). The institution-based view highlights that strategic choices are at least in part a reflection of the constraints and enablers of particular institutional frameworks in which firms are embedded (Peng et al., 2008). The industry-based view states that industry conditions help determine the strategic do's and don'ts of firms within an industry (Porter, 1980). While large firms often operate in more oligopolistic markets, SMEs are typically price takers, and thus, are more sensitive to industry factors. Although each of these three views is insightful, none of them alone is enough to provide a comprehensive picture. Rather, “it is the combination of their insights that lead to a better and more insightful understanding of the complex phenomenon” such as internationalization (Yamakawa et al., 2008: 64). Thus, the strategy tripod framework, which treats the three major views as three legs, emerges to overcome the limitations of previous research that is typically based on a single perspective (Peng et al., 2008, 2009).

A number of scholars have leveraged the strategy tripod framework to deepen and widen their research in fields such as internationalization (Gao et al., 2010; Gaur, Ma, & Ding, 2018; Ju, Zhao, & Wang, 2014; Xie, Zhao, Xie, & Arnold, 2011; Yamakawa et al., 2008) and knowledge management (Su et al., 2016). Although no previous work has used strategy tripod to undertake research on family SME internationalization, Yamakawa et al.'s (2008) research on new venture internationalization can be viewed as a relevant precedent upon which we endeavor to build.

6 | A STRATEGY TRIPOD OF FAMILY SME INTERNATIONALIZATION

Figure 2 shows a synthesized strategy tripod framework that captures our findings of the current state of family SME internationalization research, which we discuss next.

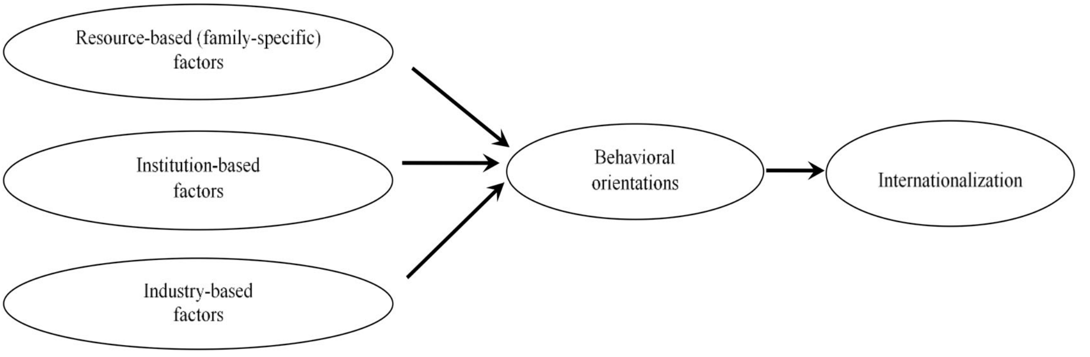

FIGURE 2 Family SME internationalization research: A strategy tripod framework

6.1 | Resource-based (family-specific) considerations

Resources and capabilities form the bedrock of firms' success in internationalization and competitive advantage in foreign locations. We highlight five family-based resources that influence family SME internationalization: (a) structural, (b) functional, (c) affect-based, (d) network-based, and (e) cognition-based. These resources influence risk perceptions and other behavioral orientations associated with international expansion.

6.1.1 | Structural resources

Structural resources are idiosyncratic assets associated with the governance structure of firms (Sirmon et al., 2008; Sirmon & Hitt, 2003). For family SMEs these include family ownership and family involvement. *Family ownership* refers to firms' shareholding held by members of a single family or multiple families. In family SMEs, family ownership has been found to (a) facilitate (Chen et al., 2014; Kontinen & Ojala, 2012) or (b) inhibit internationalization (Fernández & Nieto, 2005, 2006; Yang, Jun, Stanley, Kellarmanns, & Li, 2018). Scholars also report nonlinear effects of family ownership on internationalization (Santulli, Torchia, Calabrò, & Gallucci, 2019; Sciascia, Mazzola, Astrachan, & Pieper, 2012).

Proponents belonging to the first group argue that family ownership fosters alignment of interests between family-based managers and their firms, sharing of valuable information and experience through mutual interaction, greater flexibility, faster decision-making, and desire for business continuity across generations. These valuable resources and alignment of agency interests facilitate internationalization (Chen et al., 2014).

Proponents belonging to the second group cite several reasons rooted in behavioral theories and resource-based perspectives regarding why family ownership inhibits internationalization. These include risk averse/conservative nature of family SMEs, lack of (a) financial, technological, managerial, and other resources; (b) formal control and information systems; and (c) managers with pertinent foreign market knowledge. Other reasons include unwillingness to dilute family ownership and control via recruitment of external ownership, and perception of uncertainty and overall complexity associated with foreign expansion (Fernández & Nieto, 2005, 2006).

Family SME ownership may be held by multiple families and nonfamily investors. Nonfamily owners may include domestic or foreign financial and nonfinancial corporations and institutions, private investors, and government investors (Calabrò, Torchia, Pukall, & Mussolino, 2013). In family SMEs, external ownership may increase the scale and the scope of international operations (Naldi & Nordqvist, 2008). International involvement is also encouraged when another company happens to be a large-block shareholder (Fernández & Nieto, 2005, 2006). This happens as nonfamily ownership provides access to additional financial resources, firms' legitimacy in overseas locations, and greater heterogeneity in information, skills, and expertise. Perhaps more importantly, nonfamily ownership changes the manner in which power is distributed in the management (i.e., facilitates open governance) and lowers family resistance.

Arregle et al. (2012) and Majocchi et al. (2018) find similar positive association between external ownership and internationalization. Majocchi et al. (2018) conclude that internationalization is positively affected not only by nonfamily investors and managers, but also by the interaction between the two. Chen et al. (2014) report that SMEs with high family ownership are more likely to internationalize as institutional ownership also increases. In many such firms, nonfamily managers work together with family managers. The nonfamily managers are not expected to hold insider-like altruistic feelings since they may not possess the same norms and values that are shared by the family managers (Minichilli, Corbetta, & MacMillan, 2010). Thus, their presence may facilitate family SME internationalization. For instance, D'Angelo et al. (2016) argue that external managers not only bring in specialized knowledge, capabilities, and networks, but also facilitate avoidance of managerial entrenchment that often characterizes FFs. Interestingly, D'Angelo et al. (2016) too conclude that the influence of external managers on internationalization is not uniform for all levels of family ownership. The relationship is more positive for firms with a low level of family ownership.

Family involvement, another structural resource, refers to the extent to which family members participate in the day-to-day management as members of board or top management team (TMT).[2] Naturally, without some ownership stake in firms, families cannot maintain involvement in businesses (Sirmon et al., 2008). Although involvement does not offer families unilateral control (i.e., there may be other FF or non-FF owners), it does help in aligning families' interests with those of the firms, and preserving and enhancing SEW. Family involvement has been found to produce mixed effect (Merino et al., 2015), negative effect (Cerrato & Piva, 2012; Sciascia & Mazzola, 2008), or no direct effect on family SME internationalization (Casillas & Acedo, 2005; Merino et al., 2015). Merino et al. (2015) focus on the concept of *familiness* and explains how its three dimensions—power, experience, and culture—affect internationalization differently. They conclude that although family involvement results in greater urge to expand to international locations, it does not affect the share of the total sales that are sold abroad. The negative effect of family involvement on internationalization is because of the lack of required competencies and conservative/risk-averse posture that urges the family management to defend existing markets and shun international growth (Cerrato & Piva, 2012).

6.1.2 | Functional resources

In line with the existing literature, we conceptualize *family TMT factors* as functional resources (Menz, 2012). Family TMT factors include family representation as board directors, the CEO, and other TMT members (Segaro, 2012). Calabrò et al. (2009) explain the positive attributes (knowledge, competence experience, advise, counseling) that boards bring to firms, and find support for their hypothesized positive relationship between boards' involvement in advisory tasks and internationalization. Positive relationship between strategic involvement of board and internationalization is also found by Calabrò et al. (2013).

External (nonfamily) board members help mitigate challenges of complex strategies (such as internationalization) by providing access to valuable resources such as knowledge, contacts, and advice to TMTs (Calabrò, Brogi, & Torchia, 2016). External board members also help in reducing information symmetry among various branches of the family, and manage and synthesize different points of view. This helps in reducing high levels of risk perceptions and conservatism related to internationalization. Calabrò et al. (2009: 399) liken the presence of external members *as a form of strategic renewal inside the board of directors*. However, nonfamily board members tend to have different motives and goals than family board members (Arregle et al., 2012).

Related research informs us that the degree of openness of FFs' governance structure (such as the presence of external members on the board) has a positive influence on export intensity (Calabrò et al., 2009; Calabrò & Mussolino, 2013) and pace of internationalization (Calabrò et al., 2016). Similarly, external members may positively influence scope of internationalization (Naldi & Nordqvist, 2008). Involvement of boards in advisory tasks can also positively impact FFs' export intensity (Calabrò et al., 2009). Contrary results, however, also exist. For example, Arregle et al. (2012) fail to conclude whether nonfamily board representation is positively related to internationalization. The authors note that it may be an issue of how board representation is operationalized in their study.

CEOs' experience and training are regarded as important attributes as they positively influence family involvement. Ramón-Llorens, García-Meca, and Duréndeaz (2017) report that higher formal education of CEO is associated with higher ability to internationalize. Similarly, Davis and Harveston (2000) find a positive association between higher education of entrepreneur–founder and internationalization. They also highlight that the extent of such internationalization is not deterred by founder CEO age. This is perhaps such CEOs initiate internationalization later in the lives (personal and those of their firms) after attaining substantial resources and experience. Greater internationalization in older ages probably signifies the perceived need to create jobs for succeeding generations. Yang et al. (2018) examine the moderating influence of the presence of founder CEOs. They demonstrate that founder CEOs moderate the negative association between family ownership and internationalization. Finally, Bauweraerts et al. (2019) adopt an SEW perspective to examine the linkage between family CEO and export scope. They document that the negative effect of family CEO on export scope is mitigated by the governance mechanisms of an active board, which turns the aforementioned relationship to a positive one.

External TMT members bring in critical resources such as skills and talent, international experience, and connections that more risk-averse family members may not possess (Calabrò & Mussolino, 2013). TMTs' strategic flexibility and industry experience has a positive influence on degree of internationalization (Segaro et al., 2014). The strategic flexibility may allow family SMEs to develop new technologies, shape customer needs, better deal with business uncertainties, and enhance competitiveness. These factors may trigger international expansion. Likewise, TMTs can use domestic industry experience (in competition, resource utilization, networking) to better assess foreign market opportunities and threats, and become first movers in international markets. In line with this argument, the size of TMTs is found to be positively associated with the scale and scope of internationalization.

6.1.3 | Affect-based resources

While family SMEs are otherwise resource constrained, there are certain types of firm-specific resources where they may have distinct advantage over their nonfamily counterparts (Gedajlovic & Carney, 2010; Peng, Sun, Vlas, Minichilli, & Corbetta, 2018). Such resources are "sticky" and difficult to transfer in the factor markets (Sestu & Majocchi, 2018). *SEW-based internal social capital* refers to "features of social organization such as network, norms, and social trust that facilitate coordination and cooperation for mutual benefit" (Putnam, 1995: 67). It is often a hallmark of family SMEs where common family values and identity give rise to a shared understanding of risk perception toward strategic choices (Sestu & Majocchi, 2018). These authors demonstrate that the resulting sense of "familiness" derived from the internal bonding of social capital may influence FFs' international mode of entry in such a way that when the partner firm is also an FF, a joint venture (JV) is preferred; otherwise, a wholly-owned subsidiary (WOS) is preferred.

Relatedly, Kontinen and Ojala (2011) find that social capital related to internal bonding help family SMEs initiate international activities. This is probably because common attitudes toward strategic choices are formed due to increased internal bonding, which, in turn, enhance internal coordination and cooperation. Formation of common emotional bonding and internal altruistic harmony is facilitated in family SMEs through the long-term employment relationships that they provide to family managers. Scholes et al. (2016) show that SEW-based internal trust and harmony negatively affect external network creation capabilities, which, in turn, impede family SME internationalization.

The role of family generations and their involvement in management is a key affect-based resource in family SMEs. When *generational involvement*—a number of generations concurrently enjoying managerial positions—is high, it creates diverse family knowledge in firms' TMT (Alayo et al., 2019). Although families desire that their control over business prevail over multiple generations, the attitudes of family members may differ across generations. Later generations can bring in increased stewardship and broader pool of resources. However, running firms with active participation of multiple generations can become complicated owing to intergenerational conflicts and disagreements (Shi et al., 2019).

Past research involving multiple generations has produced contrasting findings. For example, Okoroafo and Koh (2010) find that family SME internationalization does not appeal to the first, second, and third family generations. However, the negative views of the third generation members are stronger than those of the previous generations. Okoroafo (1999) concludes that it is ideal for family SMEs to get involved in internationalization in the first or second generations; otherwise, they are less likely to do so in the later generations. Contrasting findings emerge from the work of Fernández and Nieto (2005), who find that second or later generations may, in fact, encourage international involvement.

We identify three papers devoted to generation, succession, and internationalization in family SMEs. Meneses, Coutinho, and Pinho (2014: 27) view succession as "the passing of the leadership baton from the founder–owner to a successor who will either be a family member or a nonfamily member; that is, a 'professional manager'." Shi et al. (2019) identify three distinct intergenerational succession patterns. They conclude that incumbent-successor relationships that underlie succession influence the relationship between succession across generations and internationalization strategies of family SMEs. Finally, recognizing the importance of generations, Calabrò et al. (2016: 692) propose that the two systems (family and business) need to develop a generational succession culture to smoothen new generation involvement in business.

6.1.4 | Network-based resources

External social capital helps firms to engage with their external stakeholders through valuable networks via bridging ties (Hitt, Lee, & Yucel, 2002). External social capital helps family SMEs to access crucial resources such as funding and information that are important for internationalization (D'Angelo et al., 2016). Exploiting such bridging ties, however, is not straightforward for family SMEs. This is because family SMEs lack capabilities relating to opportunity recognition in foreign locations, and often spend considerable time in finding and developing meaningful external relationships that may help them gain a foothold in foreign markets (Kontinen & Ojala, 2012).

Graves and Thomas (2008) suggest that higher expertise of family members and change in management's orientation (from production to customer) may help family SMEs generate pertinent capabilities. Relatedly, scholars caution that the general propensity of FFs to maintain family harmony and their distrust of outside members may inhibit internationalization beyond exporting. To accomplish higher levels internationalization, family SMEs need to focus on developing external networks and underplay use of trust and family harmony (Scholes et al., 2016). Interestingly, family SMEs appear to be capable of networking with other FFs, compared to non-FFs. This difference is probably because family SMEs perceive that similarity in values and interests between them and other FFs would allow for preservation of SEW (Cesinger et al., 2016).

6.1.5 | Cognition-based resources

International experience is one of the salient cognition-based resources that have been shown to affect internationalization choice of almost all types of firms. As a resource, international experience helps firms deal with uncertainties associated with entering foreign countries (Boellis et al., 2016). Kuo, Kao, Chang, and Chiu (2012) find that inexperienced FFs relinquish control and tend to choose JVs over WOS to avoid uncertainty. The preference toward the latter changes over time as they accumulate more international experience. Indeed, Cesinger et al. (2016) show that international market knowledge gained from international experience positively influences multinationality. Relatedly, Majocchi et al. (2018) find that international experience of both family and nonfamily managers is positively associated with family SMEs' exporting activities. Similarly, Boellis et al. (2016) document that FFs tend to choose greenfield entries over acquisitions; however, such proclivity decreases with increased international experience. Other cognitive resources such as *managerial emphasis* on technology investments (R&D) and greater usage of internet technology (Davis & Harveston, 2000) have been found to support internationalization. In sum, the effects of family-based resources on internationalization remain equivocal. Next, we focus on the second leg of the tripod: institution-based considerations.

6.2 | Institution-based considerations

As "rules of the game" (North, 1990), institutions—both formal and informal ones—play some significant role behind family SME internationalization (Duran, van Essen, Heugens, Kostova, & Peng, 2019; Peng et al., 2018; Peng & Jiang, 2010). In analyzing family SME internationalization, scholars have utilized a wide variety of institutional contexts. These include Australia (Graves & Shan, 2014), Bulgaria (Marinova & Marinov, 2017), China (Shi et al., 2019), Finland (Segaro et al., 2014), France (Sirmon et al., 2008), Germany (Kraus, Ambos, Eggers, & Cesinger, 2015), Italy (D'Angelo et al., 2016), Malaysia (Senik, Scott-Ladd, Entrekin, & Adham, 2011), Norway (Calabrò et al., 2009), Spain (Sánchez-Marín, Pemartín, & Monreal-Pérez, 2020), Portugal (Meneses et al., 2014), Singapore (Scholes et al., 2016), Sweden (Arregle et al., 2012), Taiwan (Chen et al., 2014; Hsu et al., 2013), and the United States (Davis & Harveston, 2000). Several studies use multicountry samples (Cesinger et al., 2016; Eddleston et al., 2019b; Hennart et al., 2019; Majocchi et al., 2018).

As stated at the outset, recent reviews concerning family SME internationalization point toward exploring more nuanced institutional contingencies (Arregle et al., 2017; De Massis et al., 2018). Peng et al. (2018) make similar recommendations for research relating to large FF. In spite of such assertions, scrutiny of institutional contingencies remains relatively underdeveloped in the domain of family SME internationalization. While Arregle et al. (2017) find no direct relationship between family ownership and internationalization, their analysis points toward context-dependency of this relationship. Two broad home country-level institutional moderators—*investor protection regime* and generalized *trust toward other nations*—may moderate the main relationship. Interestingly, they find that a strong investor protection regime in the home country acts as a negative moderator by increasing the minority shareholder concerns related to internationalization, while trust toward other nations is a positive moderator that may alleviate the associated uncertainty.

At the government level, support programs and incentives aimed at helping SMEs to overcome international market-related challenges are often successful (Bannò, Piscitello, & Varum, 2014). Graves and Thomas (2004) and Okoroafo (1999) find that export assistance programs by local governments help family SMEs become more aware of international opportunities. Although only two studies have examined government support in this context, the influence of government on firm activities and behavior is pervasive, albeit in different strengths and forms (Su et al., 2016). Finally, at the firm level, Chen et al. (2014) conclude that active monitoring by the institutional investors may alleviate the typical agency concerns of family SME managers. They find that the interaction of family ownership and institutional ownership is positively related to SME internationalization. Institutional investors may also help overcome the challenges associated with firms' "smallness" by providing family SME managers access to relevant resources and information that are necessary for internationalization.

Likewise, host country institutional context also influences family SME foreign entry mode choice. Driven by knowledge misappropriation concerns, such firms tend to opt for less risky entry modes when perceived institutional risks in the host country are high (Maekelburger, Schwens, & Kabst, 2012; Schwens et al., 2011). Relatedly, host country political risks may also deter family SME decision-makers to engage in higher control entry mode (Laufs, Bembom, & Schwens, 2016). In sum, the scholarship on the effect of institution-based contingencies on family SME internationalization is emerging. Next, we discuss the third leg of tripod framework, namely, industry-based considerations.

6.3 | Industry-based considerations

In family SME internationalization research, scholars have used a wide variety of industry settings such as different manufacturing industries (Cerrato & Piva, 2012), high-tech industries

(Piva et al., 2013), and low-tech industries (Calabrò & Mussolino, 2013). In addition, several studies span multiple industries (Arregle et al., 2012; Basly, 2007; Segaro et al., 2014). However, most studies use industry as a control variable (Cesinger et al., 2016), and a number of articles hardly discuss any industry specifics or attributes (Calabrò & Mussolino, 2013; Graves & Shan, 2014; Pinho, 2007).

Recently Hennart et al. (2019) report that while family SMEs, in general, do not internationalize in comparison with other types of firms, those family SMEs that specialize in certain high-quality niche industries may be particularly active in internationalization. They attribute this difference to the unique attributes associated with such industries, such as advanced technologies or high-quality ingredients. Hennart et al. (2019: 766) argue that "family governance is well suited to high product quality and closeness to customers." This is because striving for quality and maintaining close bonds with a select number of customers "requires stability, continuity, and consistency" that family SMEs are better able to provide (Hennart et al., 2019: 767). Taken together, we conclude that research pertaining to industry influence on family SME internationalization is minimal at best.

7 | A FUTURE RESEARCH AGENDA

This section highlights, under relevant categories (resource-based, institution-based, and industry-based factors), a future research agenda based on what we need to know in the future about the distinctiveness of family SME internationalization (see Table 3).

7.1 | Future research issues for resource-based (family) factors

For structural resources, the key unresolved question is: How do family ownership and involvement in management shape family SME internationalization? For instance, the role of founding family ownership needs greater attention. In addition, as family ownership and family involvement "may substitute for each other in generating the ability for the family to strategically direct the firm in a family-oriented, particularistic way" (Evert, Sears, Martin, & Payne, 2018: 4), a valuable area of future scholarship would be to understand the joint influence of governance factors on SME internationalization strategies. Along the same line, Arregle et al. (2019) propose family structural factors as another potential source of heterogeneity. The effect of such context-dependent structural variations on family SME internationalization warrants closer attention.

To deepen research on functional resources, we need to know more about the role of various types of CEOs. First, in terms of family CEOs vis-à-vis nonfamily CEOs, how do CEO attributes such as age, position, tenure, and international experience affect family SME internationalization? Second, among family CEOs, we need to probe into the impact of founder vis-à-vis nonfounder CEOs. An underexplored question is: How do the differences between founder CEOs' and nonfounder CEOs' risk orientation affect family SME internationalization?

Future research on affect-based resources needs to focus on two areas. First, how do different types of SEW affect family SME internationalization? Recent studies indicate that SEW may be internal (family-based) versus external (reputation-based; Vardaman & Gondo, 2014) or focused (concerning family members who are actively involved in SMEs) versus broad (related to extended families; Gu, Lu, & Chung, 2019). Thus, different types of SEW could differentially impact family SME internationalization strategies as they stem from unique sources. Second, how does the presence of different generations in family SME management affect their internationalization efforts? As SMEs run by later generations (when compared to founding generation) often display more risk-taking behavior and react under stakeholder pressure to internationalize more (Fang, Kotlar, Memili, Chrisman, & De Massis, 2018), it will be interesting to explore if varying affective attachment toward the family SME of different generations play a role in this discourse.

For network-based resources, how local and global ties affect family SME internationalization remains to be explored in future research. FFs are often enthusiastic promoters of their reputational assets (network-based local tie) and “their firms, often bearing the name of the owners, are an incentive to invest in and promote a positive image” (Sestu & Majocchi, 2018: 4). Thus, future scholars may examine the effects of family SME reputational assets and related local ties on their international activities. Moreover, given that some family members may study and work abroad, and some may be immigrants who settle in host countries, (global ties) there is a need to link research on family SME internationalization with research on immigrant and returnee entrepreneurship (Eddleston, Jaskiewicz, & Wright, 2019a; Liu, Lu, Filatotchev, Buck, & Wright, 2010).

Finally, for cognition-based resources, given that managers learn and SMEs evolve through experience, how distinctive managerial capabilities grow as internationalization deepens and broadens remains to be explored. It is likely that entering the very first foreign country requires efforts to overcome a great deal of hurdles, and that entering subsequent countries requires relatively less efforts to overcome such hurdles.

7.2 | Future research issues for institution-based factors

Our review suggests ample opportunities for further exploration. We find that some scholars use country dummy in their analysis (Majocchi et al., 2018), and others mention very little about their country contexts, such as for Australia (Graves & Shan, 2014), Italy (D'Angelo et al., 2016), Spain (Ramón-Llorens et al., 2017), and Taiwan (Hsu et al., 2013). However, most family SME scholars do not delve into how institutional factors motivate or inhibit family SME internationalization.

Overall, two future research issues seem to command attention. First, there is relatively little research on the impact of *home* country-based institutions. Only two broad factors, investor protection (formal institution) and trust toward other nations (informal institution), have been explored as potential contingencies. This scant attention is surprising given that “home country institutions help shape firms' strategies and their ability to succeed at home and abroad by influencing their transaction costs and their managers' cognitive processes” (Marano, Arregle, Hitt, Spadafora, & van Essen, 2016: 1081). Formal institutions such as the political dynamics of home country may shape family SME internationalization endeavors (Duran et al., 2017, 2019). Since not all SMEs have the good fortune of being born in entrepreneur-friendly countries, it is likely that entrepreneur-unfriendly formal home-country institutions may push some SMEs to go abroad to escape (Fathallah, Branzei, & Schaan, 2018; Nuruzzaman, Singh, & Gaur, 2019). A rich literature in the domain of business groups has explored how political and other formal institutional ties help firms in their internationalization efforts (Mukherjee, Makarius, & Stevens, 2018). This is especially pronounced in emerging markets where *institutional relatedness* has been conceptualized as a distinctive resource influencing firms' diversification choices

TABLE 3 A future research agenda for family SME internationalization research

Level	Focal concepts	Potential future research areas
Resource-based considerations	Structural resources	How do family ownership and family involvement factors influence internationalization?
	Functional resources	How do family CEO attributes such as age, position, tenure, and international experience affect family SME internationalization? How do the differences between founder CEOs' and nonfounder CEOs' risk orientation affect family SME internationalization?
	Affect-based resources	How do different types of SEW affect family SME internationalization choices? How does the presence of different family generations in family SME management affect their internationalization efforts?
	Network-based resources	How do local and global ties affect family SME internationalization? What role does family members located in foreign countries play in family SME internationalization?
	Cognition-based resources	How do distinctive managerial capabilities evolve in family SMEs during internationalization?
Institution-based considerations	Home country-based institutions	What is the role of informal (cultural dimensions) and formal institutions (institutional relatedness) in family SME internationalization?
	Host country-based institutions	How do ethnic and diaspora ties affect family SME location and entry mode choices? What role do the distance variables play in determining the location and entry mode choices?
Industry-based considerations	Industry structure	How do industry structural characteristics affect family SME internationalization?
	Industry culture	How does the availability of specialized capabilities, incentives programs, and innovation environment of industry affect family SME internationalization?

(Kedia, Mukherjee, & Lahiri, 2006). How formal institutions, alone and in conjunction with informal institutions, impact family SME internationalization is worthy of attention in future scholarship.

Among home country-based informal institutions, national culture has attracted some research interest (Marano et al., 2016; Su et al., 2016). Left unexplored is the impact of informal home country norms. In a country where even larger firms are not interested in doing business abroad, it is likely that a high percentage of family SMEs are not interested in internationalization. In a country with a lot of IB activities, such a norm may push many SMEs to go abroad.

Second, the role of *host* country institutions in shaping family SME internationalization has been relatively underexplored. It is possible that owing to their "familiness" and "smallness," family SMEs possess different types of "pull" factors during internationalization (Hennart et al., 2019; Lu, Liang, Shan, & Liang, 2015). The literature concerning the roles of ethnic ties and diaspora population (Schotter & Abdelzaher, 2013) holds particular promise for future research. This is because the similarities and familiarities associated with the diaspora population can help internationalizing firms in surmounting their liabilities of foreignness. It is possible that family SMEs lacking tangible resources choose to leverage such intangible ties more than larger FFs. Thus, how ties and diaspora influence family SME internationalization patterns remains a potentially fertile ground for future research. A closely related issue is the opportunity to expand family SME internationalization research to emerging market settings. A large body of literature shows that emerging market firms, including SMEs, behave differently than their developed market counterparts (Ciravegna, Lopez, & Kundu, 2014; Peng et al., 2008). The traditional focus of FF internationalization literature has been on North American and European settings. As the socio-cultural and political fabric in emerging markets is highly variegated, these markets represent encouraging grounds for new research in this area.

Finally, we have not come across many studies that investigate family SME location (host country) choice. However, SME internationalization scholars show that firm-specific resources and institutional settings have a *joint* impact on location choice decisions. For example, Huett, Baum, Schwens, and Kabst (2014) observe that German SMEs, with market-seeking and resource-seeking motives, prefer developed countries over developing ones when their knowledge intensity is high. This is because knowledge appropriability-related concerns are less in institutionally advanced developed economies. However, with increased international experience their preferences change. Taking a clue from this line of research, future scholars may examine how family SMEs decide on (a) appropriate foreign location by considering various “distances” (e.g., geographic, cultural, institutional, language, and psychic; Baronchelli, Bettinelli, Del Bosco, & Loane, 2016; Del Bosco & Bettinelli, 2019), and (b) entry mode choice (such as exports, acquisitions, and strategic alliances) by considering resources, associated costs, speed of entry, and partner characteristics.

7.3 | Future research issues for industry-based factors

The importance of industry's structural characteristics has been well-documented in SME research (McDougall, Robinson, & DeNisi, 1992; Piscitello & Sgobbi, 2004). Because family SMEs, owing to their “familiness,” do not always follow traditional pathways for internationalization, exploring how industry-based factors may influence their internationalization strategies holds immense promise (Hennart et al., 2019). In sum, our knowledge of how industry factors influence family SME internationalization is slim at best and the research related to SME internationalization provides us direction in this regard. Studies related to exporting have used industry export intensity (Naidu & Prasad, 1994) and industry export orientation (Gao et al., 2010) as industry-relevant variables. In addition, in a given industry, firms often follow the leaders in selecting their foreign locations (Gao et al., 2010). Future research may consider investigating these aspects.

Finally, the influence of industry structural characteristics may affect new venture internationalization (Fernhaber, McDougall, & Oviatt, 2007). Relevant factors include knowledge intensity, global integration, level of venture capital within the industry, appropriability regime, concentration, growth stage, and local industry internationalization. Family SME researchers may find crucial clues from this literature in studying the direct, indirect, as well as interactive effects of such industry-based factors. Additionally, the SME internationalization literature shows that specialized capabilities available in the local industry cluster may help SMEs surmount their resource constraints and promote international growth (Mariotti & Piscitello, 2001;

Piscitello & Sgobbi, 2004). Future scholars may examine how such factors of industrial ecosystems influence family SME internationalization.

7.4 | Future research issues for behavioral orientations as missing mediating links

Interestingly, the direct effects of family factors on internationalization have been most often studied in the literature, while the potential mediating factors have been mostly ignored. However, inherent in the discussion of different theories are various types of behavioral orientations that influence family SME internationalization strategies. For example, the concept of risk orientation is implicit in agency theory, SEW perspective, or stewardship theory (Arregle et al., 2017). Research, in fact, finds that internationalization is inhibited by risk perception associated with international activities (Casillas & Acedo, 2005). However, high degrees of family involvement may reduce such perceptions (Casillas & Acedo, 2005). Future scholars need to incorporate risk perception of controlling families in their analysis.

Additionally, family SME internationalization scholars have highlighted other types of behavioral orientations such as stewardship orientation (Alayo et al., 2019; Segaro et al., 2014), entrepreneurial orientation (Alayo et al., 2019), long-term orientation (Calabrò et al., 2016), and international entrepreneurial orientation (Calabrò, Campopiano, Basco, & Pukall, 2017). We need to better understand what these orientations mean as mediators, and how they impact internationalization. A clearer understanding of various orientations and their resulting influence would complement the existing understanding of managerial cognitions in family SME internationalization. This is all the more important since "empirically, the association between the family versus nonfamily dimension is basically null and characterized by its high variance (heterogeneity) instead of a reliable main positive or negative effect" (Arregle et al., 2019: 809).

8 | DISCUSSION AND CONCLUSION

Overall, this article makes two salient and timely contributions. First, we leverage a novel strategy tripod framework to synthesize the expanding family SME internationalization literature. Within the broad family business scholarship, family SMEs and their dynamics are distinct and, not surprisingly, research on family SME internationalization has been growing over the years. However, a comprehensive framework integrating important factors of this important phenomenon has been lacking thus far. Our strategy tripod-inspired synthesis suggests that three factors—resource-based, institution-based, and industry-based—impact family SME internationalization. While several links depicted in the strategy tripod framework have been relatively well examined, other links lack adequate analysis. Such stock-taking not only allows us to gain insights about where we stand now, but also points out the gaps that call for much-needed future research.

Our strategy tripod framework makes one aspect very clear: Namely, internationalization strategies of family SMEs may vary depending on different resource-based, institution-based, and industry-based factors that they encounter and navigate. One such factor (e.g., family-based resources) is simply inadequate to analyze or interpret internationalization. We need all three of them to capture internationalization adequately. Moreover, owing to the differences in resource availability and industry effects across contexts, family SME internationalization is heterogeneous across different locations. In sum, our framework enhances the family SME internationalization literature by bringing together crucial drivers and shedding light on the possible reason behind heterogeneity in internationalization strategies.

Second, we begin a dialogue between two important and growing literature streams: SME internationalization (Knight & Liesch, 2016; Laufs & Schwens, 2014; Lu & Beamish, 2001; McDougall & Oviatt, 1996) and FF internationalization (Arregle et al., 2017; Carney et al., 2015; Duran et al., 2017, 2019; Eddleston et al., 2019a, 2019b; Gedajlovic, Carney, Chrisman, & Kellermanns, 2012). In bringing these together, we draw on insights from the traditional IB literature, which primarily deals with non-SME/non-FFs. We contribute by highlighting a number of valuable avenues of future research that researchers can adopt to augment findings relating to the links in the framework. Our suggestions can help future researchers to better comprehend and analyze the role of family and the firm (separately and jointly) behind family SME internationalization.

To conclude, our synthesis suggests that firm- and family-specific resource repertoires, institutional frameworks, and industry conditions drive family SME internationalization, and the dynamics of internationalization vary across these firms based on how they face, assess, and deal with these drivers. We hope our synthesis will prompt scholars to invigorate the conversation between FF and SME internationalization literature streams by productively leveraging the strategy tripod framework.

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ENDNOTES

[1]A small firm has a turnover not exceeding €10 million or balance sheet total not exceeding €10 million). A medium-sized firm has a turnover not exceeding €50 million or balance sheet total not exceeding € 43 million (Source: https://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en).

[2]TMT consists of managers who are "at the apex of the firm and actively involved in strategic decision making" (Ling & Kellermanns, 2010: 330). This includes the owner, CEO, CFO, and other top managers who participate in making strategic choices for the firm

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