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# Corporate Culture and Longevity of Family Businesses: How Align These Variables to Explain its Relationship from the Perspective of Leadership?

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**Abstract:** The aim of this study is to determine the figure playing the director or manager of a long-lived family business. For this purpose, it was used the instrument designed by Deshpande, Farley and Webster. The unit of analysis is the Veracruzanas family businesses located in Veracruzanas the metropolitan area of Veracruz-Boca del Rio. The findings suggest that in this group of family businesses with more than 25 years of activity, they match counting on leaders and entrepreneurial organizations, innovative with ability to take risks and be willing to change.

**Key words:** Family business, business longevity, business culture, leaders organizations, suggest, instruments design

# INTRODUCTION

The origin of this study comes from a doctoral research that sought to answer the research question about: what factors are conducive to business longevity in family businesses? The study aimed to identify factors conducive to business longevity in Veracruzanas family businesses.

The original research focused on the study of 5 factors that relate to corporate longevity or propitiate it. All this was in the light of the theoretical review and empirical studies that analyze and discuss this issue. About it, these factors are the corporate culture, succession planning, family protocol, professionalization of the family business and shared values. After the application of the field instrument, its analysis and subsequent discussion, it was possible to identify at least 14 canonical combinations of which this study analyzes and discusses the construct coded as "1a" in which the combined variables are corporate culture, being these: the sub-variables class organization, business unit, importance of enterprise and leadership. These sub variables have to turn to the dimensions: class of organization with 5 factors, the company unit with 4 factors, importance of company with 4 and leadership with 4 factors. For this academic study, the research

question is: how is considered the figure of the director or manager of a long-lived family business of the metropolitan area Veracruz-Boca del Rio? According to the instrument Deshpande *et al.* (1993), there are 4 options: a mentor, an expert or a father figure, an entrepreneur an innovator or as someone who takes risks, a coordinator organizer or an administrator and a producer, a technician as someone primarily concerned with technical aspects.

Being now, the aim of this study, to determine the figure played by the director or manager of a long-lived family business. Then in Fig. 1 the canonical combination of the construct "1a" is shown with the sub-variables organization class, business unit and importance of the company as independent variables and sub-variable leadership as a dependent variable.

Once formulated the problem under study, then it analyzes and discusses the theoretical and empirical support that explains this phenomenon in addition to align the purpose of this study to methodological guidelines which have been analyzed the issue of corporate culture. With the identification of factors associated with class size organization, business unit, importance of enterprise and leadership, it proceeds to develop the next state of the art.

Literature review: On the subject of corporate culture, Deal and Kennedy (1982) define it as a set of beliefs, symbols, slogans, heroes and rituals within the organization. Meanwhile, Garmendia (1993) defines corporate culture as a union of values, beliefs, attitudes and more or less shared behaviors, deeply rooted and internalized determine the ways, actions and ways of doing things in the business sector. In the same idea, Allaire and Firsirotu (1984) conceptualize corporate culture as a system that meets the expressive and emotional aspects of the organization in an interrelated system of symbolic meanings identified as myths, ideologies and values.

Millan (1991) mentioned that corporate culture is the set of beliefs, expectations and fundamental or basic principles shared by members of a company. These beliefs and expectations produce norms that powerfully shape the behavior of individuals and groups in the company and thus apart from other organizations. Ouchi (1980) defines that corporate culture is constituted by tradition, conditions and values that lead to a pattern of activities, opinions and actions. In terms by Adler and Perez (1993), Athanassiou *et al.* (2002), Belausteguigoitia (2010) and Astrachan (1988), mention that corporate behavior is related to the culture of the family business where family members have a strong influence.

Martinez (1990) cite that culture is defined as a pattern of values and beliefs that help people understand the functioning of the company and therefore, provide them the rules of conduct within the company. The transfer of these cultural patterns makes to be shared by the family and the company. Information, values, models and beliefs that receive family members from the earliest ages influence their behavior and development and thus the company (Aguilar *et al.*, 2011).

The actual corporate culture is manifested by inculcating and incorporating different values and its own the private sector competencies (Garcia, 2013). In the case of the organization business culture, it will depend largely on ethics, this being one of the essential issues to venture into the issue of values, leading it to the sense of the relationships between the people who make the company (Ibanez and Castillo, 2009).

Corporate culture to collaborate effectively with the development of those who make up a company must consolidate a scale of values that respects the supremacy of the spiritual over the material (Rodriguez, 2008). Garcia (1988) conceptualizes entrepreneurial culture as set of norms, values and ways of thinking that characterize the behavior of staff at all levels of the company as well as in the actual presentation of the image of the company.

Corporate culture is defined, according to Schein (1985) as model of basic assumptions invented, discovered or developed by a given group as they learn to cope with its problems of external adaptation and internal integration, who have exercised enough influence to be considered valid and consequently, be taught to new members as the correct way to perceive, think and feel those problems. The corporate culture is a "go about doing business" because every time it has a continuous reformulation of its component parts.

The basic function of corporate culture is to provide a basic reference, an integrated framework of values and norms which allow articulating a way of being and behaving in common. Give, so to speak, a character to the company, its own identity to facilitate the integration of its members and promote the sense of belonging to a common project (Conill *et al.*, 2000). Changing to Garmendia (1993) the corporate culture is a system of values transmitted by symbols more or less shared by the parties, historically determined and decisive, related to the environment.

Culture in the family business: To better understand the culture of the family business is necessary to know the values prevailing in the owning family as these exert a strong influence on the values of the company. The values are those that explain or give meaning to the behavior and decisions of the family in their companies (Rivera and Israel, 2013). Moreover, Urey (2008) offers this definition of the family business relating culture: A family business is one whose owners are the same as the target, i.e., the corporate culture reflects the culture of the family.

Hall et al. (2001), he defines the culture of the family business as a product of his beliefs, values and goals integrated into its history and social ties. Rivera and Israel (2013) touches on employees within a family organization, who have spent many years working within it and therefore are aware of their philosophy and their way of operating. This unites the culture and values of corporate society avoiding problems. As for Poza (2007), he defines the culture of the family business as a range of values defined by behaviors that exist within a company as a result of leadership issued by family members. The culture of the family business is defined between the household and the natural relationship between family and business.

Bjornberg and Nicholson (2007), the family environment plays a key role in explaining the culture and behavior of the family business, primarily through the transmission of familiar values to the company culture. The culture of the family business plays a crucial factor in determining business success and can manifest it self in intangibles such as the dress, language and rituals in the set of ideas and actions that an individual uses to face a difficult situation; values such as honesty, customer service among others (Aguilar and Guillamon, 2009).

Roman (2009) he defines family culture as the set of values and beliefs espoused by the same family members who are involved in business and in turn are transmitted to their organization.

Family businesses are characterized by close cultural and traditional nexus with the family that runs it (Andrade, 2002). Dyer (1988) argues that members of the company have cultural patterns that are the set of assumptions of each member group which intertwine and create a single system of beliefs that are shared. Sabater *et al.* (2003) consider that the term corporate culture is like a basic ideology followed by the owner family which is characterized by the values, norms, traditions or ways of acting in recently life. Therefore, Vallejo (2008), these values, models and beliefs are transmitted from the earliest ages to family members; they determine their behavior and development and therefore the company.

The family business culture: This can be considered as an ideology of the owning family, characterized by the values, norms and traditions that guide their ways in life (Aguilar et al., 2010). For many researchers speak of organization it is to talk about culture. Organizations are culture and therefore should be treated and studied as such by Galindo (2005). Dalla (1999) believes that companies have no culture but they themselves are culture because they cannot separate the operations and powers of the emotional and relational conditions found within the organization. In the words of the researcher culture, it is strategic because without culture there is no strategy.

Aguilar *et al.* (2010) agree that corporate family culture can be considered as an ideology of the owning family, characterized by the values, norms and traditions that guide its behavior in life. In this regard, it can be concluded that many researchers consider corporate culture as an important factor for the success and continuity of these companies, mainly if considered in emerging countries such as the case of Mexico.

**Leadership in the family business:** Betancourt *et al.* (2012) state that the most critical element of an organization that wants to be long-lived is leadership. These companies give great importance to the development of their successors and teamwork.

The leader as a mentor as an expert or a father figure, it is also known as a facilitator, encourages teamwork, participation and decisions by consensus (Muro, 2008; Garza *et al.*, 2007). In other cultures, the leaders are located in such clan organizations. These leaders have

effective features with their partners to promote support and emotional support. It is also considered a leader who manages the conflict, its influence is based on involving people in decision-making and problem solving, promotes respect and mutual trust, seeks the commitment and high morale at work (Hidalgo *et al.*, 2016).

Leaders considered as entrepreneurs, innovators or as someone who takes risks are located in organizations that have adhocracy oriented culture creativity with values of innovation and transformation (Cameron and Quinn, 2005). For the entrepreneurial process can be maintained through generations, need good design of governance structures, regulated by family and turn in order to renew a business evolution (Cabanes, 2011). Innovation is another important factor for this type of organization as evidenced by the study "Innovation capabilities of durable family business" developed by Mahmoud et al. (2010) which determine four characteristics of companies with tendency to innovativeness and defined as the four C; continuity, communit, connection and specific control (Rodriguez et al., 2013).

Finally, some researchers determine that when family businesses are passed from one generation to another become more reluctant to borrow because they do not want to take risks. Kaye and Hamilton (2004) argue that family businesses have faced a generational change as discussed in this study (see generation command) are more geared toward the family as descendants often have less willingness to take risks by comparing them with their parents, so they try to maintain a conservative financial structure.

Reid *et al.* (1999), they argue that this type of family businesses are more reluctant to use external sources of funding, considered as "risky" for the family because it could dissolve control if the company. According to, Miller and Miller (2005) within the family business dominates the desire to transfer a healthy company through different generations, thus protecting the family name and the "work" created by the founder.

For leaders placed as a coordinator, an organizer or administrator, according to Cameron and Quinn (2005) is located a t organizations with a hierarchical culture, control-oriented and values of efficiency and consistency with a focus inward and integration, less flexible and less oriented differentiation. On the contrary is the entrepreneurial leadership.

Finally, leaders known as a producer, a technician as someone primarily concerned with technical aspects, they are located at organizations with a culture of market-oriented control but unlike the coordinator leader are oriented toward differentiation. Their values are within the market and profitability goals (Cameron and Quinn, 2005).

#### MATERIALS AND METHODS

The investigation is limited to the state of Veracruz in Mexico. This due to the high population of long-lived family businesses in the state, taking into account two municipalities: the conurbation Veracruz-Boca del Rio. Data collection in the field research was conducted by applying questionnaires on the previously given sample.

The instruments were applied to the manager in charge whatever the name by which he is identified but who was to be officially recognized by any official institution and may be the same Secretary of Finances and Public Credit (SHCP) where noted that it is the legal representative or by default if a company with the classification of Anonymous Society (SA) and has been notarized the charter by public notary. In this case, the declaration of the estates reflected in such legal instrument would verifying that this was found properly noted in the public registry of property section trade.

The field instrument for this research was based in terms of corporate culture, on the questionnaire used in the study on "Corporate culture and innovative activity" (Mogollon and Vaquero, 2005), right which it is an adaptation of the instrument (Deshpande *et al.*, 1993). This instrument is a likert scale with values ranging from 1 as strongly disagree, 2 as disagree, 3 as neither agree nor disagree, 4 as according and 5 as totally agree.

The results reported in this document, emanating from a non-experimental research with cross-sectional and correlational-causal measurement, using the quantitative data collected in field research on the particular sample methodology. It is not experimental as the independent variables were not handled; these are observed as it is presented in the context under study and therefore, its effect (dependent variable) is not manipulated.

The population under study focuses on family businesses with more than 25 years old, being the condition of corporate longevity, according to Rivera and Malaver toiling with the sec family generation (successor or siblings) taking over the business. After visiting and contacting various agencies and business, institutes such as Mexican Patron Confederation (COPARMEX), Secretary of Commerce (SEDECO), National Institute of Economics, Geography and Informatics (INEGI), Mexican Entrepreneurial System (SIEM) and National Commerce Chamber (CANACO), none could provide efficiently and reliable information on the profile of companies for this

research. By the above, it was finally decided to conduct a census to those undertakings that meet the necessary features, out of which a pattern of 81 long-lived family businesses was generated. In the application field, 20 companies (24.70%) refused the application of the instrument as their managers argued for safety, 5 companies (6.17%) were not interested in the application of the instrument and only 56(69.13%) agreed to the application of the measuring instrument.

### RESULTS AND DISCUSSION

For the sub-construct known as "1a", it is set as first combination that:

$$H_{01}: \rho X_1, X_2, X_3; Y_1 = 0 \text{ y} \quad H_{A1}: \rho X_1, X_2, X_3; Y_1 \neq 0$$

Where:

 $X_1 = CE CO1 al CE CO5 (class organization)$ 

X<sub>2</sub> = CE\_UNIT\_1 al CE\_UNIT\_4 (what is that holds the company?)

X<sub>3</sub> = CE\_IMPOR\_1 to CE\_IMPORT\_4 (what is the most important for your business?)

 $Y_1 = CE LI 1 al CE LI 4 (leadership)$ 

For this combination the sub-variables class organization what is it that holds the company? And what is important for your business? Serve as independent variables and sub-variable leadership as a dependent (Fig. 1). From the canonical correlation analysis on this combination: "class organization, unit and Importance versus leadership" the results shown in Table 1 were obtained.

With the results described in Table 1 and considering that the hypothesis  $H_{01}$  states that  $pX_1,\ X_2,\ X_3;\ Y_1=0$ , then it is sufficient to reject the null hypothesis statistical evidence, since, the values of the correlation coefficient R (0.82415), the calculated  $\chi_n^2$  value of 100.52 with 52 df and significance  $\rho=0.00007$  give support to this rejection.

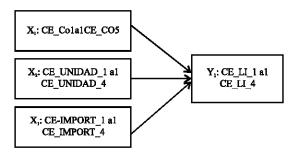


Fig. 1: Sub-construct "1a"; own elaboration

Table 1: Summary canon analysis

Canonical R: 0.82415	$\chi^2$ (52) = 100.42	p = 0.00007
No. of variables	13	4
Indicators of variables	Left set	Right set
Variance	47.3380%	100.000%
Total redundancy	22.1207%	50.5571%

Table 2: Chi-square tests with roots successive removed

Canonical	Canonical				Lambda
R	$\mathbb{R}^2$	$\chi^2$	df	p-values	Prime
0.824150	0.679224	100.4212	52	0.000066	0.112695
0.612848	0.375582	48.1187	36	0.085472	0.351320
0.555946	0.309076	26.4556	22	0.232743	0.562636
0.430901	0.185676	9.4482	10	0.490176	0.814324

Own elaboration

From the foregoing, it is found that between linear combinations of X and linear combinations of Y, there is a significant correlation that confirms this association giving enough evidence and with high statistical significance for rejection of the null hypothesis of this first sub-construct "1a". Accordingly, there is a correlation between the canonical variables resulting from the linear combinations that provide maximum explanation of variability present in the original dependent and independent variables.

Since, the number of variables involved in the set of smaller dimension is 4, then the number of canonical variables is 4. The variance extracted by the linear combinations of the set  $X_1$ : CE\_CO1 al CE\_CO5  $X_2$ : CE\_UNIT\_1 to CE\_UNIT\_4  $X_3$ : CE\_IMPOR\_1 to CE\_IMPORT\_4, reaches 47.3380% and a redundancy of 22.1207% while in the set  $Y_1$ , linear combinations managed to extract 100% of the variance and 50.5571% redundancy of the right set having the smallest number of factors.

With respect to redundancy, it can be understood as the percentage which has a set relative to the other and vice versa. That is, the set X has a redundancy of 22.1207% of set Y. The set Y has a redundancy of 50.5571% of set X.

In Table 2, the information regarding the canonical correlation coefficient (R), canonical coefficient determination  $(R^2)$  and Lambda Prime of the analysis is presented.

At this point, the Lambda Wilks statistic allows testing the  $H_0$  that the centers of the groups are equal and therefore, there is no difference between them. If the p-value associated with the statistic is less than the significance level (usually 0.05), it is rejected the hypothesis of equality between the groups, concluding that the information provided by the respective variables is statistically significant. In Table 3, the linear Pearson correlations are shown which shows that almost 100% of the correlations are positive, suggesting that are concepts that by their nature are associated. That is the set X refers the 13 indicators of the variables  $X_1$  class organization (5 factors),  $X_2$  unit (4 factors) and  $X_3$ 

Table 3: Table of linear correlations and eigenvalues

Variables	CE LI 1	CE LI 2	CE LI 3	CE LI 4
CE_CO_1	0.302660	0.227140	0.318528	0.100171
CE_CO_2	0.209523	0.583362	0.469052	0.519869
CE_CO_3	0.457866	0.513131	0.204570	0.396102
CE_CO_4	0.266175	0.336904	0.377126	0.134811
CE_CO_5	0.146369	0.040031	-0.017728	0.306337
CE_UNIT_1	-0.039502	0.225235	0.210113	-0.047223
CE_UNIT_2	0.348219	0.338662	0.279365	0.022318
CE_UNIT_3	0.314783	0.353149	0.253738	0.278895
CE_UNIT_4	0.138048	0.264253	0.251893	-0.003786
CE_IMPOR_1	0.108828	0.387317	0.333863	0.085674
CE IMPOR 2	0.301400	0.540563	0.364518	0.258892
CE_IMPOR_3	0.219697	0.385382	0.440882	0.118557
CE IMPOR 4	0.385359	0.437471	0.412321	0.238909

Eigenvalues; Root 1, 0.679224; Root 2, 0.375582; Root 3, 0.309076 Root 4, 0.185676 own elaboration

Importance (4 factors). In the highest correlations to 0.5, we have: CE\_CO\_2 (your company is very personal. It is like a big family where individuals share much of themselves), versus CE\_LI-2 (A rule in your company, it is considered the figure of the director or manager as an entrepreneur, an innovator, someone who takes risks) linear correlation coefficient of 0.583362 is obtained.

As for the indicator CE\_CO\_2 (your company is very personal. It looks like a big family where individuals share much of themselves) versus CE\_LI\_4 (usually in your company is considered the figure of the director or manager as that of a producer, a technician as someone primarily concerned with technical aspects) linear correlation coefficient of 0.519869 is obtained. Meanwhile EC-CO\_3 (whereas "your company is very formalized and structured". You agree or disagree in that do individuals are governed through established procedures?). Versus CE\_LI-2 (a rule in your company is considered the figure of the director or manager as an entrepreneur, an innovator, someone who takes risks) a coefficient of linear correlation is obtained 0.513131.

Moreover, the linear correlation between CE\_IMPOR\_2 (your company gives greater importance to the growth and the acquisition of new resources. It is important to be prepared to face new changes and challenges) versus CE\_LI\_2 (usually in your company is considered the figure of director or manager as an entrepreneur, an innovator, someone who takes risks) are also linear correlation coefficient >0.5 (0.540563) obtained.

In this first approach, we can see that the variable that correlates with the others is CE\_LI\_2 which means that the figure of the director is seen as an entrepreneurial and innovative person who takes risks.

**Eigenvalues (characteristic roots):** From the theory of canonical analysis, it is known that:

$$\lambda = \alpha^t \sum xyb = \theta = \rho_{\mathtt{u},\,\mathtt{v}}^2$$

Table 4: Canonical weights, left set

	Roots				
Antecedent canonical					
Variables	$U_{1}(1)$	$U_{2}(2)$	U <sub>3</sub> (3)	U <sub>4</sub> (4)	
CE CO 1	-0.103050	-0.573638	0.202025	-0.356667	
CE_CO_2	0.497201	0.450474	-0.568034	-0.331485	
CE_CO_3	0.391090	0.097202	0.313087	0.592246	
CE_CO_4	-0.021166	-0.303092	0.210454	-0.457034	
CE_CO_5	0.037686	0.034632	0.366736	-0.607530	
CE_UNIT_1	0.029196	-0.047353	-0.314138	0.223749	
CE_UNIT_2	-0.144788	-0.230573	0.510365	0.182314	
CE_UNIT_3	0.143711	0.367865	0.253091	-0.031941	
CE_UNIT_4	0.069207	-0.064503	-0.224252	-0.024627	
CE_IMPOR_1	0.003287	-0.329762	-0.326925	0.264031	
CE_IMPOR_2	0.354273	0.147198	0.092140	0.308604	
CE_IMPOR_3	-0.123823	-0.521722	-0.419730	0.006630	
CE_IMPOR_4	0.362784	0.011359	0.168183	-0.405518	
Canonical weights	1.495609	-0.961913	0.263001	-0.637229	
Canonical weights, right set	t consequent canonical				
Variables	$V_{1}(1)$	$V_2(2)$	V <sub>3</sub> (3)	$V_4(4)$	
CE_LI_1	0.031912	-0.533794	1.123827	-0.06146	
CE_LI_2	0.914116	0.123590	-0.224727	1.30241	
CE_LI_3	-0.183001	-0.866390	-0.573548	-1.02009	
CE_LI_4	0.293803	0.987206	-0.097273	-0.77820	
Canonical weights	1.056829	-0.289388	0.228280	-0.557346	
Canonical variables					
(weights of UyV)	$\mathbf{U}_1$	$\mathbf{U}_2$	$\mathrm{U}_3$	$\mathrm{U}_4$	
$U_1,, U_4$	1.495609	-0.961913	0.263001	-0.637229	
$V_1,, V_4$	1.056829	-0.289388	0.228280	-0.557346	

Own elaboration

That is the eigenvalues (eigenvalues  $\lambda$ ) are the square of the correlations between the canonical variables U and V. In addition, we also have that the CCC (Coefficients Canonical Correlation) are simple correlation coefficients between the canonical variables U and V, i.e.,:

$$r_{_{\!k}}=r_{_{U_{_{_{\!k}}V_{_{\!k}}}}}=\sqrt{\!\lambda_{_{\!k}}}$$

This is the expression of the estimators:

$$\Lambda = \frac{\mid E \mid}{\mid E + H \mid}$$

From this ratio, results the eigenvalue of the first canonical variables. It is the contribution of the first canonical variable of the total:

$$\sum_{i=1}^{k} \lambda i = 1.549558 \text{ (total of variance)}$$

The eigenvalues are the square of the correlation; therefore, the square root thereof is the correlation between the canonical variables. It is a common practice taken as the index of the canonical correlation between two sets of variables, the biggest eigenvalue, i.e., the first root of the list. In fact, the

weight of the first canonical correlation is given by (Table 3). Sign =  $\lambda_1/\Sigma\lambda_1$ ,  $\lambda_1$  = 0.679224/1.549558 = 0.438334028 = 43.83% of the total variance and is expressed  $U_1yV_1$ .

For the significance test of  $H_{01}=0$  in Table 2 are described the values p (0.000066, 0.085472, 0.232743, 0.490176) and Lambda Prime. Subsequently, in Table 3 are shown the p values of the roots of the canonical variables in this set, ranging from the first to the fourth. From this is obtained that, the  $\lambda$  of the sec to fourth provide:  $\lambda_2=0.375582$  weight = 0.375582/1.549558 = 0.24238015 = 24.23% (explains the second canonical set  $U_2yV_2$ ).  $\lambda_3=0.309076$  weight = 0.309076/1.549558 = 0.19946075 = 19.94% (explains the third canonical ensemble  $U_2yV_3$ ).  $\lambda_4=0.185676$  weight = 0.185676/1.549558 = 0.11982514 = 11.98% (explains the four canonical set  $U_4yV_4$ ). With the first three eigenvalues (43.83%+24.23%+19.94) an assimilable 88.10% of the variance is obtained.

Table 4 shows the canonical weights which allow building linear combinations that give rise to the canonical variables. Thus, for the canonical variable  $U_1$  with an eigenvalue of 0.679224 (Table 3) with a canonical weight 1.495609  $U_1$  = for -0.103050 CE\_CO\_1+0.497201 CE\_CO\_2, ..., +0.362784 CE\_IMPOR\_4 and weighing 0.056829 for  $V_1$ =0.031912 CE\_LI\_1+...+0.293803 CE\_LI\_4. These two linear combinations are the two canonical

variables  $(U_1yV_1)$  involved in the first test of hypothesis. In short in Table 4, the canonical variables  $U_{1,\dots,n}yV_{1,\dots,n}$  are constructed.

For root 1 from consequent set  $V_1$ , we have that CE\_LI\_2 (0.914116) is the only variable that makes most positive contribution to the canonical variable  $V_1$ . However, CE\_LI\_3 (-0.183001) contributes negatively to the same variable. For the root 1 of antecedent set  $U_1$  it is found a major positive contribution to the canonical variable  $U_1$  in CE\_CO\_2 (0.497201) and CE\_CO\_3 (0.391090) not in CE\_UNIT\_2 (-0.144788) and CE\_CO\_4 (-0.021166) that contribute negatively to that variable.

This mixture of positive and negative effects generates an explanation of 43.83% to the phenomenon being studied and so on until the fourth root and that the assimilable total variance explained.

To understand the canonical variable U<sub>1</sub> and V<sub>1</sub> sub construct "1a" it could be then say that: If the company director takes risks working under established and well-defined rules that align to the fundamental purposes of the business, this relates to the appreciation an entrepreneurial and innovative leadership that is from the perspective of those surveyed executives believe that leadership stems from the actions of entrepreneurship and innovation. The person is not static, seeks to develop new things, hence, this could well be considered or at least it leads to think that can be considered as a factor related to the continuity of the family business.

In short, it can be said that the description of the canonical weights were able to build the canonical variables from the set  $X_1$ - $X_3$  and  $Y_1$  of this sub-construct "1a" which generates  $U_1, ..., U_4yV_1, ..., V_4$  which in turn describes what each indicator provides (either positively or negatively) for these canonical variables.

Based on the results where it was observed an acceptable explanation of the variances of the construct 1a with the set eigenvalues 1-3 in a 88.10% and coefficients of correlation (R = 0.82415 and R² = 0.679224), a value of  $\chi^2_{(52)}$  = 100.52 with  $\rho$  = 0.00007 y Lambda Primium of 0.112695 in the first three sets, we have significant evidence to reject the hypothesis  $H_{01}$ .

The above indicates that class organization, unit and importance partially determined leadership at the discretion of employers surveyed. It does not seem feasible to establish an absolute implication, under the canonical loads or coefficients in the resulting linear combinations have positive and negative values. This sequence leads us to think the complex relationships between the variables involved in the construction of the canonical variables.

#### CONCLUSION

Both the question and the purpose of the research are fulfilled as from the results derived from calculations applied to data measuring instrument 56 surveyed family businesses from the metropolitan area Veracruz-Boca del Rio with the second generation in charge, of any size and sector.

It is observed that is considered the director or manager of a long-lived family business as an entrepreneur, an innovator, someone who takes risks as a producer as a technician or someone concerned about technical aspects. They are organizations that promote leadership through creativity, innovation, transformation, market-oriented goals and profitability as mentioned (Cameron and Quinn, 2005, Cabanes, 2011; Mahmoud *et al.*, 2010, Rodriguez *et al.*, 2013). This makes think that these actions through their leadership are conducive to longevity of organizations analyzed.

On the contrary and as a finding in this population of long-lived family businesses, there was no found any relationship when considering the director or manager of such organizations as a mentor, an expert, a father figure, a coordinator, an organizer or an administrator. These organizations through their leadership favor the promotion of emotional support, conflict management, promotion of respect, commitment, morale at work with a focus inward and integration in turn are already less flexible and less oriented toward differentiation as mentioned (Muro, 2008; Garza et al., 2007; Hidalgo et al., 2016; Cameron and Quinn, 2005). This makes us think that such actions are not related to the phenomenon of corporate longevity in family businesses in the metropolitan area Veracruz-Boca del Rio.

We can conclude that the qualities or characteristics mentioned above reflect only the 56 family businesses studied. It cannot make a generalization to the total number of companies that are currently operating in the Veracruz-Boca del Rio area which have 25 or more years of activity, time considered as business longevity.

Finally, it is advisable to extend the study to a larger number of companies; although the refusal of employers is latent for providing information, it should rethink the instrument or how to cleave information that leads us to find other findings that add to existing knowledge in the phenomenon of corporate longevity.

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