

## Decades of Discord: A Bibliometric Mapping of Agency Problems within Family-Owned Enterprises

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**Abstract.** This study aims to identify the intellectual evolution and thematic development of agency problems within family-owned enterprises through a comprehensive bibliometric approach. The bibliometric method was used to analyze publication trends, citations, authorship, and core research themes related to agency conflicts during the period of 2001–2026. Based on the search results, data were collected through the Scopus database using Publish or Perish (PoP), yielding 139 complete articles. The search covered the period from 2001 to 2026, resulting in 139 papers with a total of 432,28 citations per year. Additionally, each paper received an average of 77,75 citations, and the 139 papers collectively had 10,807 citations. Data was retrieved from the Scopus database and processed using Publish or Perish (PoP) and VOSviewer software to map the scholarly landscape. The results show a significant upward trajectory in publications and citations, reflecting a growing global academic interest in the unique governance challenges faced by family firms. Key statistical findings indicate a high citation impact per manuscript, underscoring the foundational nature of this field in corporate finance and management. The thematic analysis grouped the research into four primary clusters: principal-principal conflicts, corporate governance mechanisms, socioemotional wealth (SEW), and firm performance. The findings suggest that while strong family control can minimize traditional manager-owner frictions, it frequently triggers Type II agency costs that jeopardize minority shareholder interests. This study provides critical insights for researchers and practitioners to understand the dynamics of family governance, while highlighting future research opportunities in digital transformation and sustainability to support long-term business resilience.

**Keywords:** Agency problems; Bibliometric analysis; Corporate governance; Family firm; Socioemotional wealth.

**Abstrak.** Penelitian ini bertujuan untuk mengidentifikasi evolusi intelektual dan perkembangan tematik masalah agensi dalam perusahaan milik keluarga melalui pendekatan bibliometrik yang komprehensif. Metode bibliometrik digunakan untuk menganalisis tren publikasi, kutipan, kepenulisan, dan tema penelitian utama yang berkaitan dengan konflik agensi selama periode 2001–2026. Berdasarkan hasil pencarian, data dikumpulkan melalui basis data Scopus menggunakan Publish or Perish

(PoP), yang menghasilkan 139 artikel lengkap. Pencarian mencakup periode dari 2001 hingga 2026, menghasilkan 139 artikel dengan total 432,28 kutipan per tahun. Selain itu, setiap artikel menerima rata-rata 77,75 kutipan, dan 139 artikel tersebut secara kolektif memiliki 10.807 kutipan. Data diambil dari basis data Scopus dan diproses menggunakan perangkat lunak Publish or Perish (PoP) dan VOSviewer untuk memetakan lanskap akademis. Hasilnya menunjukkan tren kenaikan yang signifikan dalam publikasi dan kutipan, yang mencerminkan meningkatnya minat akademis global terhadap tantangan tata kelola unik yang dihadapi oleh perusahaan keluarga. Temuan statistik utama menunjukkan dampak kutipan yang tinggi per naskah, yang menggarisbawahi sifat mendasar dari bidang ini dalam keuangan dan manajemen perusahaan. Analisis tematik mengelompokkan penelitian ini ke dalam empat kelompok utama: konflik prinsipal-prinsipal, mekanisme tata kelola perusahaan, kekayaan sosio-emosional (SEW), dan kinerja perusahaan. Temuan ini menunjukkan bahwa meskipun kontrol keluarga yang kuat dapat meminimalkan gesekan tradisional antara manajer dan pemilik, hal tersebut sering kali memicu biaya agensi Tipe II yang membahayakan kepentingan pemegang saham minoritas. Studi ini memberikan wawasan penting bagi para peneliti dan praktisi untuk memahami dinamika tata kelola keluarga, sekaligus menyoroti peluang penelitian di masa depan dalam bidang transformasi digital dan keberlanjutan guna mendukung ketahanan bisnis jangka panjang.

**Kata kunci:** Analisis bibliometric; Kekayaan sosio-emosional; Masalah agensi; Perusahaan keluarga; Tata kelola perusahaan.

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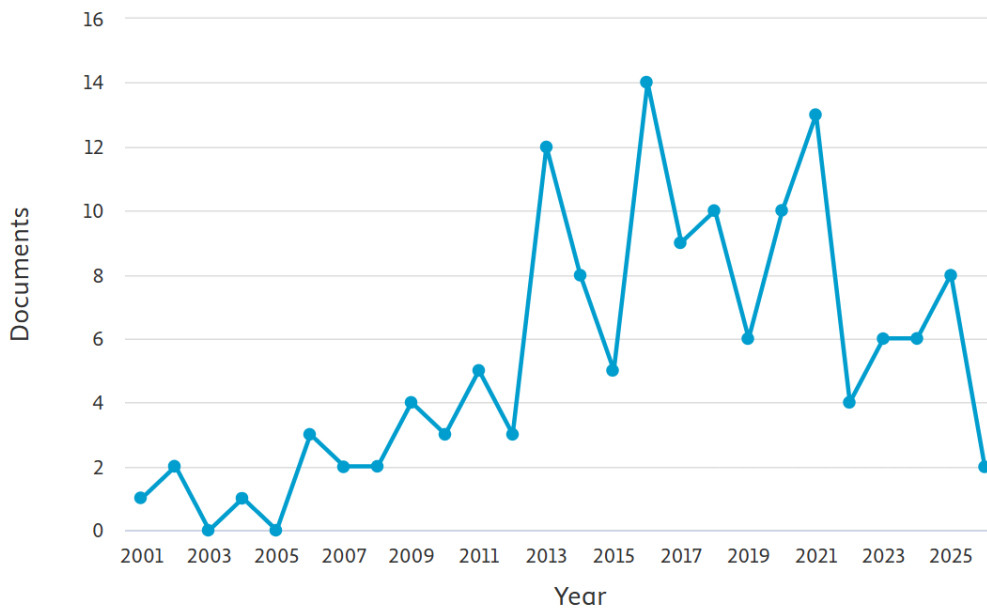
## BACKGROUND

Family businesses are known as business organizations that dominate and endure in the global marketplace, both in developing and developed countries. Studies by Birdthistle and Hales (2023) have shown that family businesses contribute more than 70% of global GDP and account for a significant portion of the workforce. In Indonesia, many companies are family-owned, as family ownership structures are easily identifiable, ranging from micro, small, and medium enterprises (MSMEs) to large corporations listed on the Indonesia Stock Exchange (IDX) (Muntahanah et al., 2021). Family-owned businesses exert a strong influence over corporate management because the family's full control over the company can impact the sustainability of the family business, which in turn affects the company's overall contribution to national economic stability (Shahzad et al., 2025). While family-owned businesses make significant contributions, they also face challenges related to family management, particularly as leadership transitions across generations (Hnátek, 2012). Family-owned businesses are known for their unique characteristics, distinct from non-family-owned businesses, due to the overlapping nature of management and ownership (Zhang et al., 2023). In family-owned businesses, agency problems among stakeholders have increased over the past decade (Basheer et al., 2021). Family control can reduce agency costs but may also trigger the risk of a takeover that could harm minority shareholders (Cronqvist et al., 2003). Given that strong family

control often involves conflicts of interest, both financial and non-financial, this leads to high agency costs that are difficult to mitigate through standard corporate governance mechanisms (Kasbar et al., 2022).

Over time, family-owned businesses managed across generations have consistently faced a variety of challenges due to external pressures such as digital transformation and sustainability issues (Zapata-Cantu et al., 2023). Since Environmental, Social, and Governance (ESG) principles have been applied to family-owned businesses aiming to evaluate corporate performance and sustainability, family members have been reluctant to provide corporate transparency as they seek to maintain privacy and control over the company (Yeaw & Seow, 2025). This is evidenced by the family's significant share ownership, which gives it strong control over the company's management. The family seeks to maintain its long-term reputation and does not want to incur green investment costs that could reduce short-term dividends (Arhinful et al., 2025). Additionally, family-owned businesses often face obstacles to innovation in the era of disruption as they strive to avoid high risks (de Groote et al., 2021). In family-owned companies, agency problems often arise from conflicts between owners and managers, in which managers seek to profit at the company's expense (Westhead & Howorth, 2006). Company managers' actions are perceived as being at odds with those of the owners (Hadjielias et al., 2022).

Documents by year



Source: Authors based on the Scopus database.

**Figure 1. Number of Publications on Agency Problems in Family Firms**

This study provides comprehensive insights into the distribution and evolution of research on agency conflict in family businesses, including a breakdown by year, main themes, country of affiliation, and methodologies used. This study was conducted to address a research gap using bibliometric analysis, which remains limited to specific topics due to the prevalence of empirical studies. While many studies have employed quantitative approaches to analyze financial statement data, research mapping remains

rare. The evolving dynamics of agency conflicts in family firms are expected to create significant opportunities for developing new themes that have not yet been extensively explored. Based on the Scopus database (see Figure 1), the publication trend from 2001 to 2026 on agency problems in companies has fluctuated.

This study analyzes academic articles to map the evolution of research on agency conflicts in family businesses worldwide, covering thematic trends, geographic distribution, and methodologies. Family businesses have an ownership structure managed by numerous investors who hold shares in the company. Given these agency dynamics, the controlling family plays a crucial role in maintaining the company's success, while managers must effectively manage employee incentives and ensure that minority investors' rights are protected amidst family dominance. understand past research, research gaps, agency problems, and research areas within the existing literature. Therefore, the research questions (RQ) of our study are as follows:

RQ1. What are the essential bibliometric variables in the agency problems in the family firm field?

RQ2. What is the main discussion among researchers in this research flow?

RQ3. Practical and theoretical implications in terms of future research perspectives?

This research employs bibliometric analysis on a robust dataset retrieved from Scopus to systematically chart the literature surrounding agency conflicts in family-owned enterprises. By applying quantitative metrics to existing scholarship, the study reveals foundational research frameworks, key thematic groupings, and the relationships between core concepts. The resulting synthesis not only critiques the current state of corporate governance literature but also yields pragmatic and theoretical takeaways for managing family firms.

To achieve this, the article unfolds across several distinct phases. After this introduction, the second section contextualizes the study by reviewing prior work on family firm agency dynamics, thereby highlighting the unique contribution of this research. The third section outlines the data retrieval and analytical methodologies. Next, the fourth section interprets the empirical results and visual network maps, offering a nuanced discussion of the most prominent academic trends. Before concluding with the study's broader managerial and theoretical impacts in Section 6, the fifth section provides targeted recommendations to guide future scholarly efforts.

## **THEORETICAL REVIEW**

Traditional corporate governance theory relies on the separation between ownership of capital and daily management. Rooted in Anglo-Saxon economic systems, this classic perspective emphasizes the natural tension between widely held shareholders and self-interested executives (Miller et al., 2007). In this standard framework, governance mechanisms exist primarily to ensure that managerial decisions align with maximizing shareholder wealth. Consequently, we typically measure the success of corporate oversight by its ability to lower these Type I agency costs. Firms generally achieve this through strong monitoring, independent boards, and performance-based pay, all designed to prevent managers from putting their own interests above those of investors (Chrisman et al., 2007).

However, a growing body of empirical evidence shows that this classic owner-manager divide does not reflect the reality of many corporate structures worldwide. In many regions, the primary governance challenge is not dispersed equity but rather highly concentrated ownership (Claessens & Yurtoglu, 2012). This reality requires us to rethink the basic assumptions of classic agency theory, shifting the focus to disputes among different investor groups. Modern scholars argue that we need deeper empirical insights into how concentrated control distorts standard oversight tools and triggers principal-principal conflicts in today's economies (Young et al., 2008).

Family-controlled businesses represent a distinct organizational model within this evolving landscape, behaving quite differently from typical public corporations (Chua et al., 2012). These firms balance a unique set of priorities: they aim for financial success, but they are equally driven to protect their Socioemotional Wealth (SEW), which is a concept that covers dynastic succession, emotional bonds, and social standing (Gómez-Mejía-et-al, 2007). Because of these dual goals, the primary governance threat shifts from the usual manager-owner dispute to a principal-principal (Type II) agency problem (Villalonga et al., 2004). In this setup, the controlling family has both the authority and the motivation to extract private benefits at the expense of minority shareholders. As a result, relying solely on conventional governance rules is insufficient to manage the specific risks arising from family dominance.

While academics debate the best specific oversight structures, there is a broad consensus that governance models for family firms must be fundamentally different. This is simply because family businesses blend commercial logic with personal familial ties (De Massis & Rondi, 2020). Core values such as fairness, transparency, and accountability remain essential. However, the practical tools used to enforce them must be carefully tailored to counter family-driven agency threats (Berrone et al., 2012). Addressing this theoretical distinction, our study utilizes bibliometric analysis to trace the global research landscape regarding agency conflicts in family enterprises. By examining core themes, geographical spread, and research methods, this paper aims to connect existing literature gaps and provide a clear overview of how minority shareholder protection is theorized and practiced in family firms.

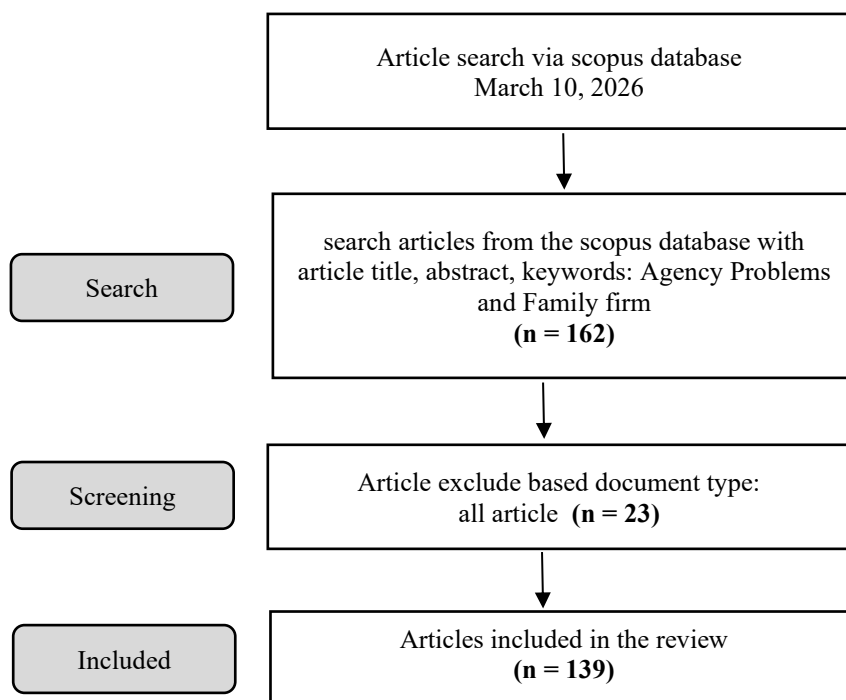
Although family firm governance has attracted significant academic attention, comprehensive bibliometric mappings focusing specifically on its underlying agency conflicts remain surprisingly rare. While prior literature reviews have primarily examined standard corporate governance structures, this paper seeks to systematically chart the distinct research landscape of family-owned enterprises. Building on existing analytical frameworks, our work broadens current knowledge. The originality of this study is grounded in three primary contributions.

*First*, rather than imposing strict geographic or temporal boundaries, we capture a broad spectrum of literature streams relating to family business governance. This highly inclusive approach allows for a much clearer contrast between conventional corporate oversight and the specialized governance mechanisms required in family-controlled entities. *Second*, the study uses VOSviewer software to conduct a sophisticated cluster analysis. By visually mapping the literature, this methodological choice offers a fresh analytical angle that diversifies and deepens the findings typically produced by traditional narrative reviews.

*Third*, our research synthesizes a variety of interconnected bibliometric indicators to form a holistic view of the field. By combining data on the chronological growth of publication sources, keyword co-occurrence clusters, and intricate co-citation networks, we deliver a highly detailed, multi-layered assessment of how this academic domain has evolved. *Fourth*, our results from keyword analysis will formulate a framework for discussion on agency problems in family firms by finding that the most relevant topics today are as follows: (1) Principal-Principal Conflicts; (2) Corporate Governance Mechanisms; and (3) Strategic Financial Decisions.

## RESEARCH METHODS

This study employs bibliometric techniques to identify trends and issues related to agency conflicts in family businesses worldwide (Donthu et al., 2021). The bibliometric method is applied to specific topics, fields, and research questions, using various bibliometric components such as authors, publication years, journals, titles, keywords, abstracts, citations, h-index, co-citations, and others (Zupic & Čater, 2015). The core concept of bibliometric analysis is to measure outputs, such as the number of citations in a study and the impact of research on a specific theme (Ellegaard & Wallin, 2015). This method also helps determine the direction or objectives of research collaboration and assess cooperation between universities and researchers within their respective fields (Subramanyam, 1983). This study uses data on agency problems in family firms globally, collected via Scopus. The search terms used were “agency problems + family- firm.” The results were obtained from various international publications. The data was then exported to VOSViewer. The bibliometric analysis included citations and co-citations, bibliographic overlap, and keyword co-occurrence.



**Figure 1. Systematic Literature Review information flow using PRISMA Trend Publication**

To systematically map the global landscape of research concerning agency problems within family firms, this study employs a bibliometric approach. Such methodologies allow for the quantitative assessment of academic literature by analyzing core metadata, which includes authorship patterns, publication years, source journals, and citation metrics. Ultimately, bibliometrics serve not only to gauge the scholarly impact of specific themes but also to uncover the structural networks of collaboration among institutions and researchers worldwide. Based on the search results, data were collected through the Scopus database using Publish or Perish (PoP), yielding 139 complete articles. The search covered the period from 2001 to 2026, resulting in 139 papers with a total of 432,28 citations per year. Additionally, each paper received an average of 77,75 citations, and the 139 papers collectively had 10,807 citations.

## RESULTS AND DISCUSSIONS

This section charts the publication landscape and identifies the core driving forces in the literature on agency conflicts in family businesses. To understand how the research is distributed, the analysis tracks both the trajectory of annual publications and the volume of output across various academic journals. Beyond simply mapping the literature, this review also highlights the leading contributors currently shaping the domain. Specifically, it pinpoints the most prolific subject categories, individual researchers, academic institutions, and geographic regions driving the discourse forward.

### Descriptive Analysis of Literature Review

This section delineates the publication landscape and the foundational influences shaping the discourse on agency problems in family firms. The dissemination of these articles is mapped by examining annual publication trajectories alongside the output volume across various academic journals. Additionally, to capture the driving forces within this field of study, the analysis highlights the most prominent contributors, specifically detailing the leading subject areas, prolific authors, key affiliated institutions, and primary countries of origin.

**Table 1. Number of Articles by Affiliations (Top 10 Institutions)**

Affiliation	Articles
Mississippi State University	4
National Taiwan University	3
Universiteit Hasselt	3
RMIT University	3
Melbourne Business School	3
Monash University Malaysia	3
University of Ottawa	3
University of Alberta	3
Wenzhou-Kean University	3
Prasetiya Mulya Business School	3

Source: Authors' elaboration based on Scopus Database.

The mapping of institutional affiliations reveals a geographically diverse academic network driving the current discourse on agency conflicts within family businesses. As detailed in Table 1, Mississippi State University leads this scholarly domain with four publications, establishing a strong focal point for this research within

the United States. Following closely is a prominent cohort of nine universities, each contributing three articles, which illustrates a widespread international interest in family firm governance. Notably, there is a robust presence of Asian and Southeast Asian entities, including National Taiwan University, Wenzhou-Kean University, Monash University Malaysia, and Prasetiya Mulya Business School. This active participation underscores the strategic importance of investigating principal-principal conflicts and socioemotional wealth dynamics within Asian corporate structures, where family conglomerates are highly prevalent. Furthermore, the discourse is significantly shaped by robust scholarship from Australia and North America, represented by RMIT University, Melbourne Business School, the University of Ottawa, and the University of Alberta. The inclusion of Universiteit Hasselt also ensures consistent European representation in the literature. Collectively, this institutional distribution suggests that the study of agency dynamics in family enterprises has evolved into a highly collaborative, global field of inquiry that effectively bridges distinct economic and cultural contexts.

**Table 2. Number of Articles by Country/Territory (Top 10)**

Country	Articles
United States	35
China	24
Australia	16
Taiwan	15
United Kingdom	14
Canada	12
Malaysia	9
France	8
Hongkong	7
Indonesia	7

Source: Authors' elaboration based on Scopus Database.

The intersection of corporate governance and family business dynamics has crystallized into a critical domain of economic study, characterized by a transition from broad organizational theories to nuanced investigations of agency conflicts. Bibliometric data mapping the annual publication trajectory reveals that while scholarly interest was relatively subdued between 2001 and 2011, the field experienced notable acceleration in the following years. The academic discourse reached its highest historical peak in 2016, with 14 publications, followed by a second significant resurgence in 2021, yielding 13 publications. This fluctuating yet upward momentum signals growing global recognition of the complexities of socioemotional wealth and the urgent need to mitigate principal-principal conflicts within family-controlled entities. Rather than relying on standard corporate oversight models, contemporary research emphasizes mechanisms tailored to protect minority shareholders while preserving the unique competitive advantages of family involvement.

The geographic distribution of these publications further underscores a sophisticated, international effort dedicated to refining governance frameworks across diverse institutional environments. As outlined in Table 2, the United States serves as the primary hub for this scholarship, contributing the highest volume with 35 articles. Interestingly, the subsequent leading contributors predominantly represent the Asia-Pacific region, with China (24 articles), Australia (16 articles), and Taiwan (15

articles) accounting for a substantial share of the current literature. While Western nations like the United Kingdom (14) and Canada (12) maintain a steady output, the strong presence of emerging markets, including Malaysia, Hong Kong, and Indonesia, highlights the pervasive nature of family conglomerates in Asian economies. Collectively, these regional trends suggest that the study of agency dynamics in family firms effectively bridges cultural divides and addresses specific regulatory challenges in both developed and developing markets.

### **Bibliometric Mapping and Visualization**

Based on the predefined selection criteria, the final dataset comprised 139 academic publications, with data collection concluding on March 10, 2026. To confirm topical relevance, we screened the titles and abstracts of all retrieved articles. Furthermore, specialized software was employed to ensure precise bibliometric analysis. These tools enabled us to map citation networks, track the geographic origins of publications, and identify the leading authors in the field. To improve the clarity and reliability of the findings, data processing was conducted using Microsoft Excel alongside VOSviewer (van Eck & Waltman, 2010). VOSviewer was specifically chosen to map keyword co-occurrences and visualize the relationships between major concepts. Rather than just describing the data, these visual outputs help synthesize the current literature and highlight specific gaps for future studies (Müller-Bloch & Kranz, 2015).

**Table 3. Number of Articles by Sources (Top 5 Sources)**

Name of the journal	Articles
Entrepreneurship Theory and Practice	6
Journal of Corporate Finance	6
Journal of Family and Business	6
Family Business Review	5
Corporate Governance an International Review	3

Source: Authors' elaboration based on the Scopus Database.

Most of the research in this field is published in specialized journals that bridge the gap between entrepreneurship and finance. As shown in Table 3, three publications share the top position: Entrepreneurship Theory and Practice, the Journal of Corporate Finance, and the Journal of Family and Business. Each of these journals contributed exactly six articles to our dataset. This concentration suggests that current academic discussions heavily focus on start-up funding, corporate structures, and the economics of family-owned firms.

Rounding out the top five sources are the Family Business Review, with five articles, and Corporate Governance: An International Review, with three. The presence of these journals highlights the ongoing importance of family networks and global regulatory frameworks in current research. Together, these five publications show a clear research trend aimed at understanding how family dynamics and corporate oversight affect the success of modern ventures.

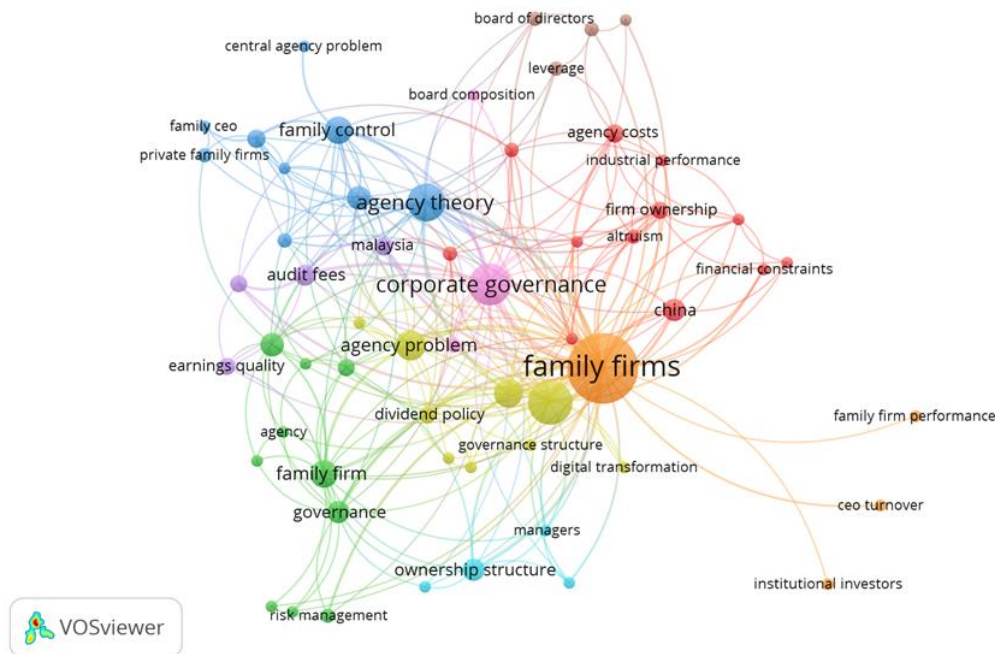
Shifting the focus to individual researchers, Table 4 outlines the top ten contributing authors within the analyzed dataset. The data demonstrates a notably balanced distribution of scholarly output at the highest level. A core group of five researchers, Chrisman, J.J., Kang, F., Martin, G., Setia-Atmaja, L., and Voordeckers, W., currently leads the field, with each author publishing exactly three articles. This

equal distribution suggests a shared academic leadership rather than a single dominant voice driving the discourse. Just below this leading group, the foundation of the research is supported by five additional scholars who have contributed two articles each. This second tier includes Al-Okaily, J., BenYoussef, N., Chen, C.J., Chen, Y.L., and Cheng, Q. Overall, the absence of extreme outliers in publication volume indicates that the research area is sustained by a broad, diverse network of academics, reflecting a collaborative effort to advance the field rather than monopolization by a few individuals.

**Table 4. Number of Articles by Authors (Top 10 Sources)**

Author	Number of articles
Chrisman, J.J.	3
Kang, F.	3
Martin, G.	3
Setia-Atmaja, L.	3
Voodeckers, W.	3
Al-Okaily, J.	2
BenYoussef, N.	2
Chen, C.J.	2
Chen, Y.L.	2
Cheng, Q.	2

Source: Authors' elaboration based on Scopus Database.

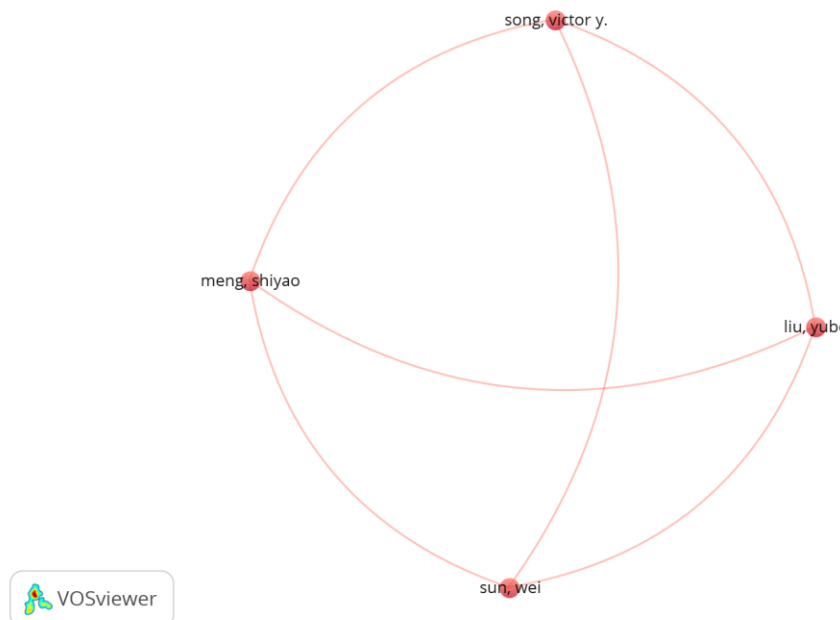


Source: Vosviewer software.

**Figure 2. Co-occurrence Network and Visualization of Keywords**

Figure 2 provides a visual map of the global research landscape concerning agency dynamics in family-owned businesses. The prominence of central nodes such as "family firms," "agency theory," and "corporate governance" indicates their foundational role in shaping current academic discussions. Structurally, the network

reveals several distinct but overlapping thematic groupings. The orange and red clusters form the core, connecting the broad concept of "family firms" with essential behavioral and structural factors such as "firm ownership," "altruism," "agency costs," and the "board of directors". In contrast, the blue cluster explores the mechanics of managerial control by associating "agency theory" with specific terms like "family control," "family ceo," and "ownership structure". Practical mitigation strategies are captured in the green and yellow networks, which link the core "agency problem" to applied solutions such as "risk management," "dividend policy," and the overall "governance structure". Additionally, the pink and purple nodes highlight the necessity of external monitoring and financial transparency, as evidenced by terms such as "audit fees" and "earnings quality". Ultimately, the dense web of connections across these thematic areas demonstrates that addressing principal-principal conflicts requires a highly integrated approach. The peripheral placement of emerging topics, such as "digital transformation" and the influence of "institutional investors," suggests that future scholarship needs to blend traditional ownership models with new market realities to fully grasp the evolving nature of family firm sustainability.



Source: Vosviewer software.

**Figure 3. Co-authorship Analysis of the Authors**

A co-authorship analysis was conducted using VOSviewer to better understand the collaborative networks driving research on agency dynamics in family firms. The resulting map represents individual authors as nodes and uses connecting lines to highlight their academic partnerships. Interestingly, instead of showing a widely dispersed global network, the visual reveals a tightly knit, self-contained micro-cluster. Four scholars serve as the anchor for this exclusive group: Victor Y. Song, Yubo Liu, Wei Sun, and Shiyao Meng. Because every researcher in this network is directly linked to the other three, the graph depicts a fully integrated collaborative environment. This means the authors function as a cohesive academic unit rather than working independently or passing knowledge through a linear chain. Ultimately, this

pattern implies that the most significant joint efforts in this particular dataset are highly localized. It suggests that the leading discourse in this niche is currently being shaped by strong, dedicated research teams working closely together, rather than emerging from broad, cross-border interactions among scattered international scholars.

### **Principal-Principal Conflicts**

The principal-principal conflict, widely recognized as the Type II agency problem, marks a significant departure from classic agency theory. Rather than focusing on the traditional divide between managers and capital owners, this perspective highlights the structural friction between controlling (majority) shareholders and minority investors (Young et al., 2008). In business environments characterized by highly concentrated equity, such as family-owned enterprises or corporations in emerging markets, majority owners hold the absolute authority to dictate corporate strategy for their own group's benefit. This unchecked dominance frequently leads to wealth expropriation or tunneling, which directly erodes the financial returns of smaller investors (Erakovic et al., 2021; Villalonga et al., 2004). What makes this dynamic particularly complex is that the drive for control is not exclusively tied to financial motives. Controlling families are heavily driven by the desire to safeguard their Socioemotional Wealth (SEW), prioritizing goals like dynastic succession and social prestige, even when such decisions objectively deplete corporate funds (Berrone et al., 2012). Because the root of this conflict originates among the capital providers themselves, conventional governance mechanisms designed merely to discipline opportunistic managers are typically ineffective. Consequently, there is a critical need to restructure governance frameworks to specifically constrain majority overreach and guarantee equitable protection for minority stakeholders (Parada et al., 2026).

### **Corporate Governance Mechanisms**

Corporate governance mechanisms within family-owned entities serve as strategic control instruments designed to mitigate agency costs while balancing the competing interests of family members and external stakeholders. The success of such oversight depends heavily on the adoption of formal structures, including competent boards of directors and independent audit committees, which play a vital role in disciplining decision-making and preventing the concentration of power among controlling family members (Ghafran & O'Sullivan, 2013). However, the implementation of these tools is often unique, as it is deeply shaped by powerful family institutional logics; thus, effectiveness is measured not just by formal compliance, but by how well these structures integrate with the firm's internal culture and values (Parada et al., 2026). Utilizing independent directors and family councils is particularly crucial for enhancing transparency and curbing wealth expropriation activities that disadvantage minority investors (Eraković et al., 2021). Furthermore, robust governance has been shown to align the preservation of socioemotional wealth with long-term financial objectives, ensuring business sustainability that extends beyond the interests of the current generation (Berrone et al., 2012). Ultimately, integrating rigorous internal monitoring with appropriate managerial incentives remains a fundamental prerequisite for minimizing agency frictions and driving firm value in competitive markets (Chrisman et al., 2007).

## Strategic Financial Decisions

Strategic financial decisions in family enterprises often serve as a battleground where economic rationality clashes with the preservation of emotional control. Unlike typical public corporations, financing and capital structure choices in these firms are heavily dictated by the family's desire to minimize the risk of losing authority. This often leads them to prioritize internal funding or limited debt over issuing new equity, which could dilute their ownership (Villalonga et al., 2004). This phenomenon is deeply linked to the concept of Socioemotional Wealth (SEW), where families may opt for objectively sub-optimal financial paths, such as avoiding high-risk but profitable ventures, simply to prevent interference from creditors or external parties (Gomez-Mejia et al., 2007). Furthermore, dividend policies are frequently adjusted; controlling families might retain cash to fund growth without diluting shares, or conversely, extract resources for personal family needs, thereby triggering agency conflicts with minority shareholders (Miller et al., 2007). The inherent heterogeneity in how families manage capital suggests that financial maneuvers are driven not just by market efficiency, but by internal governance structures and the legacy values they wish to uphold (Chua et al., 2012). Consequently, analyzing the interplay between financial capacity and the owners' willingness to engage in particularistic behavior is essential for predicting the long-term trajectory of family businesses (De Massis & Rondi, 2020).

## Directions for Future Research Avenues

The integration of digital technologies and Artificial Intelligence (AI) reshapes the structure of agency costs within family enterprises. Given the traditionally conservative nature of family firms, the implementation of digital monitoring systems may function as a double-edged sword: while it enhances transparency for minority shareholders, it simultaneously risks eroding Socioemotional Wealth (SEW) by diminishing the family's personalized control. Consequently, exploring the emergence of "Digital Governance" will be increasingly vital in the coming decade to understand how automation and data-driven oversight reconcile with familial legacy.

Despite the extensive literature on principal-principal conflicts, there remains a significant gap in understanding how "institutional logics," the intersection of local cultural values, religious beliefs, and familial norms, influences the efficacy of formal governance in emerging economies like Indonesia. Future research could employ qualitative methodologies or longitudinal case studies to discern why family firms in specific regions continue to use informal decision-making channels despite the presence of formal board structures. This line of inquiry would provide deeper insights into the practical limitations of Western-centric governance models when applied to diverse institutional settings.

There is a compelling opportunity to examine the correlation between Environmental, Social, and Governance (ESG) commitments and agency costs. Future studies should test whether the pursuit of family reputation as a core dimension of SEW drives these firms toward global sustainability standards as a strategic mechanism to reduce information asymmetry and foster trust with external investors. It is crucial to determine whether ESG investments in family businesses represent a genuine commitment to sustainability or serve primarily as a tactical tool to suppress Type II agency conflicts and legitimize continued family dominance.

## CONCLUSIONS AND RECOMMENDATIONS

This bibliometric study systematically maps the evolution of agency research within family enterprises, revealing a shift from traditional manager-owner frictions toward complex principal-principal conflicts. The analysis highlights that family firms are not monolithic entities but are governed by a delicate balance between financial objectives and the preservation of socioemotional wealth. Findings indicate that concentrated ownership often grants family members significant control, potentially leading to wealth expropriation from minority investors if not properly monitored. While institutional structures such as independent boards are intended to provide oversight, their effectiveness in family contexts is often hampered by entrenched informal decision-making practices. The data suggest that emerging economies face the most acute challenges, as legal protections for outside shareholders are often underdeveloped compared to those in Western markets. Furthermore, the bibliometric mapping indicates that integrating family values into corporate strategy creates unique agency costs that standard governance theories cannot fully explain. The survival of these firms across generations depends heavily on their ability to professionalize management without losing their core identity. This research underscores that transparency and accountability are the most critical factors in maintaining investor confidence within the family business sector. Ultimately, the study provides a foundational roadmap for scholars to navigate the increasingly fragmented landscape of family firm governance literature.

Future research directions must expand beyond conventional metrics to address the transformative impact of digitalization and global sustainability standards on family dynamics. The emergence of digital governance presents a new frontier where technology could either enhance transparency or disrupt the traditional methods of familial control. Scholars should also examine how local institutional logics, including cultural and religious values, shape the application of agency theory across diverse geographical settings. There is a pressing need to investigate whether environmental, social, and governance (ESG) commitments act as a genuine shield for minority shareholders or merely a reputational tool. The role of the next generation in modernizing these governance frameworks remains a vital area for longitudinal inquiry to understand long-term firm resilience. Additionally, cross-country comparative studies could reveal how varying regulatory environments influence the intensity of principal-principal conflicts. Future investigations should also utilize more qualitative approaches to capture the "hidden" informal mechanisms that often bypass formal board interventions. Understanding the psychological drivers behind family decision-making will offer a more holistic view of why certain agency problems persist despite rigorous auditing. By bridging the gap between socioemotional priorities and market demands, future scholarship can provide more practical solutions for sustainable family business management. In conclusion, the field must remain adaptive to ensure that governance models evolve in tandem with the changing global economic landscape.

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