

Responsible leadership practices in the hospitality sector family businesses: Evidence from an emerging market

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This is author accepted manuscript version of the paper accepted to be published in “Journal of Family Business Management” (Emerald). Please cite this paper as:

Mousa, M., & Arslan, A. (2023). “Responsible leadership practices in the hospitality sector family businesses: Evidence from an emerging market”. *Journal of Family Business Management*. <https://doi.org/10.1108/JFBM-01-2023-0008>

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Abstract

Purpose: The study aims to find out the extent to which hospitality sector family-owned businesses in Egypt feel committed to responsible leadership practices and subsequently meet their stakeholders' expectations.

Methodology: We conducted semi-structured interviews with 24 owners of family restaurants in Egypt. Thematic analysis was undertaken on the collected data resulting in four major themes.

Findings: We find that the four dimensions (aggregation of virtuousness, stakeholder involvement, individual competencies, and ethical contributions) are not fully exercised by the owners despite their readiness to behave correctly according to social norms. Furthermore, the respondents elaborated that they do not fully understand how to commence playing a role in contributing to the common good in their societies.

Originality/ value: To the best of our knowledge, the present study is the first to empirically investigate responsible leadership practices in the context of small and medium-sized family businesses (restaurants in this case), particularly in the emerging market and non-Western contexts.

Keywords: responsible leadership, family business, stakeholder theory, common good, restaurants, Covid-19, Egypt

Type of paper: Research paper

1. Introduction

Family businesses are the hospitality industry's backbone like many other sectors (Carlsen *et al.*, 2001; Getz & Carlsen, 2005). They provide many services, including accommodation, food and beverages, transport and entertainment. Since the global disruption and the extreme consequences of Covid-19, many family businesses in the hospitality sector have started to shift from their short-term focus on profitability to the long-term orientation, which necessitates a deep focus on sustainability, innovation and digitalization (Santiago *et al.*, 2022). This comes in response not only to global threats affecting industries since the spread of Covid-19, but also to studies by Comison *et al.* (2016), Chitty *et al.* (2019) and Brown and Reign (2021), who identified that family businesses display poor governance and weak competitiveness in the hospitality sector in comparison with non-family businesses.

Hospitality-related family firms are mostly run by their owners and subsequently involve more than one family member (Sharma *et al.*, 1996). Chua *et al.* (1999, p. 25) define a family firm as "a business governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families". The trade-off between economic and socio-emotional goals remains a dilemma in family businesses (Chua *et al.*, 2019). Sometimes, family firms sacrifice some of their financial objectives in order to achieve socioemotional non-economic goals (Williams *et al.*, 2018; Samara & Arenas, 2017). The antecedents behind such initiatives have been linked to the desire to maintain family influence, develop the firm's social networks, enhance the family members' emotional attachment to the firm, stimulate the family members' engagement with the firm's objectives and/or implement dynastic succession (Berrone *et al.*, 2012; Arslan *et al.*, 2022).

Kellermanns *et al.* (2012) point out that in some cases prioritizing socioemotional wealth is an attempt by a controlling owner to maintain the work schedule of unqualified family members in their business.

Noticeably, having a well-designed agenda of social obligations is a primary condition for any long-lasting relationship between a family firm and its stakeholders (Parada *et al.*, 2018). Moreover, it also motivates firm sustainability and long-term success (Fletcher *et al.*, 2012). The same has been asserted by Short *et al.* (2009), who affirm the positive association between the social performance of family businesses and their financial return. Unfortunately, investment in sustainability and social betterment as activities are missing in many family firms (Ratten *et al.*, 2017a, b).

From another perspective over the past two decades, societies worldwide have witnessed a change in their cultural patterns and value systems (Inglehart, 2008). This has subsequently stimulated people to perceive businesses, regardless of type, as change agents that should lead social betterment (Carrasco, 2007; Voegtlin *et al.*, 2011). Not all businesses have perceived this message from the public realm, and many of them, particularly in emerging economies, keep themselves apart from fulfilling social roles and/or meeting their stakeholders' expectations (Mousa & Puhakka, 2019). Admittedly, since the spread of Covid-19, during which people have been forced to work from home in a context of uncertainty and the threat of being laid off as a result of the lengthy global lockdowns (Mousa, 2021), considering the socio-moral activities of businesses is no longer a luxury (He *et al.*, 2021). Combating the virus has necessitated serious collaboration between governments, businesses, labor unions, civil society organizations and global political bodies, such as the World Health Organization and the United Nations (Zhao *et al.*, 2019; Zenker & Kock, 2020). Consequently, the continuity of businesses is currently associated with their capacity to not only act responsibly but also play a socio-ethical role (Mousa, 2020).

In this regard, responsible leadership can be referred to as a process of developing and maintaining long-lasting, trusting relationships with different internal and external stakeholders in order to achieve the common good and fulfil social commitments (Maak & Pless, 2006; Gond *et al.*, 2011). This style of leadership involves overlap between individual (values, virtues), organizational (organizational culture, acceptance of corporate social responsibility) and socio-cultural factors (power distance, human orientation) (Pless & Maak, 2011; Waldman & Balven, 2014). The ability of leaders to act correctly and work as agents who care about the betterment of their local and global communities could also be highlighted in this context (Cunha *et al.*, 2007; Maak & Pless, 2008).

Consequently, given the scarcity of studies on the social performance of family businesses (Williams *et al.*, 2018; Samara, 2021), particularly in the hospitality sector (Brown & Reign, 2021; Santiago *et al.*, 2022), on the one hand, and the dearth of empirical studies on responsible leadership (Mousa, 2021), particularly in small and medium-sized businesses in Arab and Middle Eastern countries (Castañeda García *et al.*, 2022) on the other, we aim to engage with the owners of several family restaurants in Cairo (capital of Egypt) in an attempt to answer the question: **To what extent are responsible leadership practices fully exercised in family businesses? And how?** The present paper comes as a response to Ratten *et al.* (2021), who highlight the need for more empirical papers exploring the socio-environmental role of family businesses, and Samara (2021), who highlights that research on family businesses in Arab and Middle Eastern contexts remains unfocused and/or limited, particularly in terms of social performance and virtuousness.

2. Literature review

2.1 Family firms

Like any profit-oriented organization, family businesses aim to maximize their financial value (Gallo & Kenyon-Rouvinez, 2005). The mechanism through which family businesses are managed and directed has always been a matter of debate (Bruton *et al.*, 2018). According to Polat (2020) and Ratten *et al.* (2021), it includes overlap between the founder's value, managerial interventions, and firm legacy. Therefore, the manager-owners of many family businesses lack the relevant business training (Carlsen *et al.*, 2001).

Moreover, they mainly depend on their personal values (Mckercher & Robbins, 1998; Kallmuenzer *et al.*, 2019). Berrone *et al.* (2012) and Soleimanof *et al.* (2018) highlight that this mechanism is always subject to the dominant norms and values of the context and surroundings in which family businesses operate.

According to Ratten and Tajeddine (2017), scholars researching family businesses have overlooked many significant topics. The same has been confirmed by Ratten and Jones (2021), who stress the need to devote more space to the macro (environmental), meso (family culture) and micro (social performance of family members) antecedents and/or outcomes of acting responsibly and/or implementing a social betterment agenda in the literature on family businesses. Unfortunately, the situation is especially poor in the Middle East, including Egypt, where research on family firms and their socio-environmental and ethical agenda is still embryonic and mostly described as underdeveloped and/or unfocused (Samara, 2021). Unexpectedly, the spread of Covid-19 may actually benefit family businesses by causing them to shift from a short-term focus on financial returns to a more long-term strategy thinking globally and overcoming the extreme shocks from socio-environmental threats (Mousa & Arslan, 2022).

The unique nature of family businesses is mostly characterized by a flexible approach to governance (Arslan *et al.*, 2022). More specifically, the dominant approach in family firms usually tries to balance between a family system and business mindedness (Daily *et al.*, 2003; Steier *et al.*, 2015). Accordingly, the founders of family firms usually also act as the managers of their businesses (Perez-Gonzalez, 2006). Moreover, this type of business's success mostly relies on the family members' functionality, who may either own but not manage, own and participate in the management, or own *and* manage their firm (Stafford *et al.*, 1999). Many authors (e.g., Kidwell *et al.*, 2012; Scholes *et al.*, 2016; Cabrera-Suarez *et al.*, 2014) consider the family's functionality in business terms as an outcome of family harmony. It is worth highlighting that with the complexity of business activities, demands of stakeholders and growing ambition of the family members themselves, many family businesses start to adopt a professional governance structure in which a non-family member might be recruited to work as manager (Barry, 1989; Gimeno *et al.*, 2010).

2.2 Responsible leadership

Responsible leaders seek a balance between the demands of internal and the expectations of external stakeholders (Waldman, 2011). Accordingly, they should address accountability in order to build trust with shareholders, social activists, labor unions, environmental activists, employees, suppliers and customers (Marques *et al.*, 2018). Moreover, sustaining trust with different stakeholders requires relational intelligence (Pless & Maak, 2005) and relational intelligence includes 1) emotional intelligence – their ability to appreciate and engage with people from various backgrounds, and 2) ethical intelligence – their ability to absorb conflicting interests through exporting values and wisdom (Pless & Maak, 2005). Responsible leaders must always show commitment to their communities, sustain trusting relationships with diverse stakeholders and collaborate to serve the common good (Maak & Pless, 2006; Koh *et al.*, 2018). Admittedly, guaranteeing this social betterment necessitates a readiness in those leaders to accept authority, find resources and means, and exercise the freedom to plan and decide (Cameron, 2011; Mousa & Ayoubi, 2019; Mousa & Puhakka, 2019; Mousa *et al.*, 2019). What marks responsible leadership out from other styles is the long-lasting relational influence both leaders and stakeholders exercise and maintain (Gond *et al.*, 2011). Furthermore, in this leadership style, leaders care about various stakeholders, even those outside their organization (Maak & Pless, 2006). In other styles, leaders focus only on their business plan and how to influence their internal followers (Antunes & Franco, 2015). Based on previous studies (Maak & Pless, 2006; Pless, 2007; Rego *et al.*, 2007; Cunha *et al.*, 2007; Gond *et al.*, 2011), Antunes and Franco (2015) consider the following as the four dimensions constituting responsible leadership.

- Aggregation of virtuousness: the extent to which leaders differentiate between right and wrong, ensure morality and care about justice in all their interactions (Cameron, 2011; Maak & Pless, 2006; Rego & Cunha, 2011; Pless, 2007).
- Stakeholders' involvement: the extent to which leaders actively engage with various stakeholders in tackling local, regional, and global challenges facing organizations and communities (Maak & Pless, 2006; Rego *et al.*, 2007; Gond *et al.*, 2011).
- Individual competencies: the extent to which leaders have the capacity to handle complex situations and/or problems through reliance on diversity and the inclusion of different views (Maak & Pless, 2006; Cunha *et al.*, 2007).
- Ethical orientation: the extent to which leaders care about moral and ethical standards in producing decisions and initiating activities (Maak & Pless, 2006; Cunha *et al.*, 2007).

In the hospitality sector, and in response to the required social role after the emergence of Covid-19, many restaurants have started to care about humanitarian objectives by recruiting individuals who can play a socio-cultural role, initiating ongoing training on social responsibility for their employees, including socio-environmental awareness as a major part of employee performance assessments, and hosting superhero employees, such as medical staff, who can play a role in serving their communities (Zhao *et al.*, 2019; Shen & Zhang, 2019; He *et al.*, 2021).

2.3 Stakeholder theory and family businesses in the Egyptian context

Stakeholder theory elaborates that companies and/or businesses work not only to maximize shareholder profits but also meet the expectations of internal and external stakeholders (Freeman, 1984). Goodpaster (1991) differentiates between the following three levels in stakeholder theory: the first is strategic, in which the firm voluntarily considers non-owners' interests besides those of owners but does not pay considerable attention to moral values (Argandona, 1998). The second is multiple trustees, in which owners assign the managers of their firms the responsibility for caring about moral values in addition to considering owners' and non-owners' interests, while the third is the new synthesis, in which firms show responsibility towards their owners, and at the same time, try as much as possible to meet the expectations and interests of stakeholders (Carson, 1993).

All companies/firms have internal (shareholders, managers, employees) and external (clients, suppliers, tax authority, social activists, governmental bodies) stakeholders (Argandona, 1998). Usually, internal stakeholders alone bear the burden of securing the common good for all stakeholders (Argandona, 1998). The common good might include creating jobs for local individuals, decreasing pollution, developing communication with external stakeholders, and sponsoring socially responsible projects in local communities (Argandona, 1998). However, this common good varies across businesses because of their different circumstances, the type of demands expected by external stakeholders, the budget directed to socially responsible activities, and the challenges/threats facing local communities and societies (Argandona, 1998; Carson, 1993).

Unfortunately, little information about family businesses in Egypt is available online. Moreover, after intensive searches on the Web of Science and Scopus databases, we can assert there is a dearth of studies and information about family businesses in Egypt. However, we did find a survey prepared in 2021 by Price Waterhouse (PwC). Based on this survey of the Egyptian context, only successful family-owned businesses (excluding small and medium-sized businesses) show commitment to their employees and local communities (Egyptian Family Business Survey, 2021). Moreover, they have a strategic plan for the future, and during the Covid-19 period they granted their staff the opportunity to work remotely and online (Egyptian Family Business Survey, 2021). The same survey highlighted that 45 per cent of the addressed

family businesses do not have a formal board of directors while all of the addressed firms consider that improving profitability, diversifying their market, adjusting their investment strategy, and considering financial restructuring are the main priorities they currently feel committed to (Egyptian Family Business Survey, 2021).

3. Research methodology

3.1 Study design

The main aim of the present paper is to find out the extent to which the addressed family restaurants fully exercise responsible leadership practices and how. Accordingly, we employed a qualitative research method, which is often used to address phenomena in unknown settings (Maxwell, 1996). Authors (e.g., Denzin, 1989; Lincoln & Guba, 1985) highlight the significance of adopting qualitative methods to discover the socio-cultural contexts of the phenomenon under investigation fully. Given our intensive search of databases such as the Web of Science and Scopus, we can assert the scarcity of studies of family businesses (including in hospitality) in the Egyptian context, and the dearth of empirical qualitative studies on responsible leadership in the same context. Accordingly, we decided that a qualitative research method is more appropriate for our research project and context. Moreover, and given the novelty of our research question, particularly for this setting, our paper reports on an exploratory qualitative study. According to Yin (1994), any exploratory study should end up with one of the following outcomes: generating new information, developing a theory or suggesting hypotheses or propositions.

3.2 Sample and procedures

In this paper, we addressed 24 owner-managers of restaurants in Cairo, the capital of Egypt. These restaurants were all small and medium-sized businesses where at least two family members work. Only four of the addressed restaurants include a branch in addition to the main restaurant. Like the majority of middle-income families in Egypt, all of the addressed respondents benefited from free higher education and had completed bachelor degrees. The process of recruiting the respondents started in June 2022 through personal connections one of the authors held with two of the addressed respondents who then assisted in recruiting others. All interviews were conducted in Arabic, the native language of all respondents in addition to one of the authors. The duration of each interview ranged from 40–60 minutes. Moreover, all interviews were conducted via Zoom and Telegram. Before starting the interviews, all respondents were informed about our main research question and the aims of the project. Moreover, in order to fall in line with globally agreed upon ethical guidelines, all respondents were also informed that they could skip questions that might cause discomfort or offence. Due to the wishes of the respondents, only half of the interviews were recorded, while exhaustive notes were taken throughout all of them. Table 1 includes the interview questions.

(Insert Table 1 here)

3.3 Data analysis

The respondents were asked to co-construct their personal and observed experience of responsible leadership practices (donating to charity, fighting corruption, decreasing pollution, increasing environmental awareness etc). Moreover, we used the three steps developed by Strauss and Corbin (1990) in manually analyzing and coding the collected data. Accordingly, we first collected data from the 24 family restaurant owners and started to analyze them separately. Our aim in this step was to understand how respondents understand responsible leadership, how they exercise it and what the respondents perceive as the main activities that form a subset of responsible leadership practices. Second, we used the four dimensions (aggregation of virtuousness, stakeholder involvement, individual competencies, and ethical

orientation) developed by Antunes and Franco (2015) as themes in our study. In addition, we paid attention to the respondents' relationships to internal and external stakeholders, their understanding of environmental awareness, adapting to socially responsible activities, showing religiosity, focusing on value systems, acceptance of cultural patterns, familiarity with the global and local threats facing the hospitality industry and their awareness of traditional business skills and how they can improve their capabilities to form individual resilience. It is worth highlighting that Kvale (1983) clarifies that only through interviews can researchers develop a sense of the meaning of the phenomenon under investigation.

4. Findings and discussion

4.1 Aggregation of virtuousness

According to some authors (e.g., Maak & Pless, 2006; Pless, 2007; Cameron, 2011), the aggregation of virtuousness describes the extent to which leaders differentiate between right and wrong, ensure morality, and care about justice in all their interactions. In family businesses, there is overlap between the founder's values, managerial policies and firm legacy in the majority of decisions and/or behaviour (Polat, 2020; Ratten *et al.*, 2021). More specifically, the orientation of the behaviour, practices and activities of family firms depend on the personal values of their owners (Kallmuenzer *et al.*, 2019). The same has been asserted by Solimanof *et al.* (2018), who affirm that the orientation of family businesses reflects the values and norms of the family members controlling them. In the present case, and based on the interviews, all the respondents highlight that they care about morality and justice on the one hand, and differentiate between right and wrong, on the other. However, and given the size of their businesses (we only addressed owners of small and medium-sized restaurants), they can only impart their values and virtuousness on internal stakeholders (managers and employees) and they do not have the power to influence external stakeholders. This is in line with Carson (1993) and Argandona (1998), who point out that disseminating and/or exporting virtuousness varies because of the different budgets that businesses have, the circumstances firms encounter and the type of demands expected by external stakeholders.

As an owner and manager of a restaurant, I continuously care about poor families surrounding my business. However, and given the limited budget my restaurant has and that this business is the source of income for me and the family of my son; who is married and has two kids; as well, I cannot do more than that. I am not a holder of a multinational corporation. Respondent 1

I always ask my employees to care about poor families, informing me about any donation for building schools and hospitals. However, I act in line with the circumstance I face in my business and the desire of my brothers who are partners in this restaurant. Specifically, when finding high profit, I actively donate a part of it to charity. It is a family decision but has to fit my business-related circumstances. Respondent 7

4.2 Stakeholder involvement

In their studies, Maak and Pless (2006), Rego *et al.* (2007) and Gond *et al.* (2011) consider stakeholder involvement as the extent to which leaders actively engage with various stakeholders in tackling local, regional and global challenges that both organizations and the society face. According to stakeholder theory, firms have internal (shareholders, managers and employees) and external (clients, suppliers, social activists, governmental bodies) stakeholders (Argandona, 1998). Those stakeholders might affect and be affected by the orientation, strategies, missions and practices of surrounding businesses (Argandona, 1998). Moreover, firms, regardless of type, have to work not only to maximize profits for shareholders but also meet the different stakeholders' expectations (Freeman, 1984; Carson, 1993). Unfortunately, many

businesses with limited budgets cannot fulfil all of their stakeholders' demands (Caron, 1993). Moreover, many firms do not fully understand what is socially required of them (Mousa, 2020a, b).

I usually hear about the concept social responsibility of businesses, but I don't know what it includes and whether it is limited for big firms or also small and medium sized projects have to participate. Respondent 12

However, Berrone *et al.* (2012) associate firm success with their ability to maintain social networks of stakeholders. The same has been suggested by Ratten *et al.* (2017), who confirm the positive association between firm development of social capital and long-term survival. The present study indicates an understanding from the respondents of the role different stakeholders can play in achieving the common good or "non-economic objectives for the betterment of local communities" and accordingly, they maintain their involvement with both external and internal influencers (individuals and organizations). This is in agreement with Zhao *et al.* (2019) and He *et al.* (2021), who indicate that since the emergence of Covid-19, many restaurants have maximized their collaboration with their surrounding communities by organizing training on social responsibility for their employees, sponsoring socio-cultural projects and caring about humanitarian objectives.

Our restaurant is in a neighborhood of middle-income people. We all as neighbors, focus on finding income for our families and the non-economic objectives are a responsibility for the government not us. Respondent 20

Our clients, suppliers and tax officials know that this restaurant is the main source of income for four families who own and work here. So, they just pray that we will find adequate revenue to cover our families' living expenses. Respondent 24

4.3 Individual competencies

Individual competencies reflect the extent to which leaders have the capacity to manage complex situations and/or problems through relying on diversity and the inclusion of different views (Maak & Pless, 2006; Cunha *et al.*, 2007). As indicated earlier, family businesses rely mostly on their owners, who also act as managers in most cases (Perez-Gonzales, 2006). Moreover, many family business owners lack relevant business training (Carlsen *et al.*, 2001). Consequently, they find it difficult to direct their firms towards traditional economic objectives, and the situation is even worse when asking them to work toward socioemotional goals as well (Mousa & Chaouali, 2021; Alloui *et al.*, 2022). The interviews conducted within the present study show that the respondents are ready to engage in achieving the common good and/or implementing a social betterment agenda, but unfortunately, they do not know how and where to start. Consequently, they find it sufficient to donate some of their profits to public hospitals and poor orphaned children. This confirms what Ratten and Jones (2021) found when elaborating that family businesses have to include macro-environmental, meso-cultural and micro-social performance goals in their list of priorities.

And what responsible leadership or social responsibility activities are about. I always care about ensuring a good life for all people in my community. However, and because my business doesn't earn millions of pounds, I have to know how to start and with whom to participate. The government and the ministry of tourism haven't clarified that. Respondent 13

My employees and I need intensive training on how to increase our profits in normal times and during crises before thinking about any social role. Respondent 6

4.4 Ethical orientation

Ethical orientation highlights the extent to which leaders care about moral and ethical standards in their decisions and activities (Maak & Pless, 2006; Cunha *et al.*, 2007). In order to fully implement a responsible leadership style, leaders must maintain concern for values and virtues (Pless & Maak, 2011; Waldman & Baylan, 2014; Mousa, 2020a, b). This requires leaders of family businesses to have ethical intelligence – the ability to absorb conflicting interests through exporting wisdom (Pless & Maak, 2005). Furthermore, guaranteeing ethical behavior should be accompanied by a readiness from leaders to accept responsibility, use their resources and exercise freedom to plan and decide (Cameron, 2011). Unfortunately, the respondents highlighted that budgetary limit, ignorance on the part of government institutions and a lack of care they perceive from civil society organizations hinder their attempts to play a socio-moral role in their surrounding community. Many also elaborated that they act correctly, but they do not fully know how to act ethically as business leaders.

My family and I as partners in this project care about ethics, as ethics is a part of our religion and culture. However, and because we are also members in this society, we have to raise the concern that we never received any support and/or care from civil society organizations, the ministry of tourism and other government institutions to start thinking about engaging in social activities. Respondent 19

5. Implications

5.1 Theoretical contributions

To the best of our knowledge, this study is one of the first to address the extent to which responsible management practices are exercised in the context of family businesses (restaurants in this case) in the Egyptian hospitality sector. Accordingly, the first theoretical contribution lies in finding that the four dimensions (aggregation of virtuousness, stakeholders' involvement, individual competencies and ethical contributions) (Antunes & Franco, 2015) are not fully exercised by the owner-managers of the addressed restaurants, despite their readiness to act correctly and subsequently collaborate in achieving the common good for their community. The main reason is budgetary limitations and how little they can actually provide for their stakeholders, particularly external ones (clients, suppliers, government bodies). This is in line with Carson (1993) and Argandona (1998), who point out that disseminating virtuousness and/or meeting stakeholder expectations is reliant on the available budget, circumstances and rationality of stakeholder demands.

The second theoretical contribution lies in raising a question mark regarding the relevance of stakeholder theory (Freeman, 1984) in the context of family businesses. More specifically, stakeholder theory highlights that firms have both internal (managers and employees) and external (clients, suppliers and government bodies) stakeholders (Carson, 1993; Argandona, 1998). Moreover, the theory states that firms affect and might be affected by their stakeholders (Freeman, 1984). However, this is not the case in the present paper as the respondents highlight that they cannot affect their stakeholders given their budgetary limitations. Accordingly, the respondents limit their responsible leadership practices to donating to charity and sponsoring simple socially responsible activities. Therefore, the applicability of stakeholder theory to small and medium-sized businesses that hardly manage to develop and sustain long-term relationships with their surroundings seems dubious. Cameron (2011) highlights that engaging in socially responsible and friendly behavior necessitates leaders to have authority and resources. Unfortunately, both are lacking in this case.

The third theoretical contribution lies in discovering that responsible leadership practices in family businesses, which are mostly directed through their owner's personal values (Perez-Gonzalez, 2006; Berrone *et al.*, 2012; Ratten *et al.*, 2017), have to be re-identified and/or specified. More specifically, the

respondents highlighted that they are ready to actively engage in more socially responsible activities, but they do not fully understand how and where to start. This confirms what Carlsen *et al.* (2001) highlight when asserting that many owner-managers of family businesses lack the relevant business skills. Furthermore, this also supports what Samara (2021) points out, that the social performance of family businesses in Arab and Middle Eastern countries is still unfocused.

5.2 Practical implications

Given the findings of the present paper, our first proposal is that the respondents could exert pressure on the ministry of tourism to initiate ongoing training for those who own and/or manage family businesses in the hospitality sector on how to identify and meet socially responsible targets. This could provide our respondents (owners of restaurants) with a roadmap for how to become effective responsible leaders. Second, we propose that the addressed respondents initiate dialogue with civil society organizations, which could later be translated into collaboration towards achieving the common good in their communities. Such collaboration might include covering the tuition fees of students from low-income families, sponsoring social media campaigns to decrease pollution, donating beds to public hospitals, and working to increase employment opportunities for individuals in local communities. Third, the addressed respondents might consider establishing a professional association for small and medium-sized family businesses through which they would have the legal basis for collaborating in projects aimed at ensuring the betterment of their societies. This professional association might also work as a lobby platform to highlight the threats they sometimes face, the competencies they lack and the resilience they seek. Accordingly, through such an association, they can act as change agents to enhance socio-economic development in their community.

5.3 Limitations and future research

The present paper includes the following limitations. First, focusing only on owners of family restaurants while overlooking those who own hotels, motels and nightclubs might hinder our ability to generalize our findings across the hospitality sector. Second, paying attention to small and medium-sized family businesses and neglecting larger firms might also limit the findings of this paper. For future research, we propose interested researchers consider the opportunity to benefit from Western experiences of tailoring the socially responsible activities of SMEs to decide whether the same steps could be undertaken in the Egyptian context. Interested scholars might also research how to activate and then sustain long-lasting collaboration between small and medium-sized family businesses and their external stakeholders, particularly government bodies and civil society organizations. Finally, initiating social dialogue on how to stimulate the social performance of small and medium-sized family businesses to meet societal expectations is also a promising area that future researchers can consider.

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Table 1. Interview guide

If you know that responsible leadership activities include differentiating between right and wrong, developing trusting relationships with different stakeholders, caring about ethics and supporting activities aimed at the betterment of society, then:

- 1- What are the responsible leadership activities you mostly engage in?
- 2- What are the main challenges you face as an owner of a family business when engaging in responsible leadership activities?
- 3- To what extent do family businesses feel committed to responsible leadership practices? Why? How?
- 4- What criteria does your restaurant use for engaging in responsible leadership activities?
- 5- To what extent do you as an owner of a family restaurant develop long-lasting relationships with your stakeholders?
- 6- What factors might stimulate you to actively engage in responsible leadership activities?
- 7- To what extent does your restaurant receive support from government bodies and civil society organizations while exercising responsible leadership activities?
- 8- Which is much more active in performing responsible leadership activities: family or non-family businesses and why?
- 9- Do you think that fulfilling responsible leadership activities positively affects the continuity of your restaurant? Please elaborate
- 10- Do you have any recommendations you would like to add regarding exercising responsible leadership activities/practices in family restaurants or hospitality firms?