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MORE THAN BUSINESS: FAMILY ENTERPRISES AS A CREATIVE FORCE IN SOCIAL CAPITAL

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Purpose: This paper examines the role and significance of socio-emotional wealth (SEW) in family businesses, analyzing its contribution to the creation of social capital.
Design/methodology/approach: Empirical research conducted by the Polish Central Statistical Office (GUS) was analyzed to develop a set of indicators and measures of social capital generated by family businesses.
Findings: The integration of socio-emotional wealth and key success factors leads to distinctive management approaches that enhance social and economic stability. A set of metrics and indicators to assess the impact of family businesses on social capital is proposed.
Research limitations/implications: Further studies are required to validate the proposed indicators in diverse cultural and economic contexts.
Practical implications: The findings support the development of strategies and policies that leverage family businesses' unique resources to foster sustainable social and economic development.
Social implications: Highlighting the role of family businesses in building social capital emphasizes their potential contribution to societal well-being.
Originality/value: This paper introduces a novel framework linking socio-emotional wealth with social capital, offering valuable insights for researchers and policymakers.
Keywords: family business, socio-emotional wealth, social capital.
Category of the paper: Research paper.

1. Introduction

Research on family businesses has a long-standing tradition spanning several decades. The growing interest in this category of enterprises stems from their significant impact on both the economy and social life. However, there is a notable disparity between the economic importance of family businesses and the level of understanding of their operational models, behavioral specifics, and fundamental challenges. In academic literature, succession-related issues are most frequently addressed (Zajkowski, 2018), while studies focusing on the role of socio-emotional indicators in shaping social capital - a cornerstone of stable national development - remain scarce.

The role of family businesses in building social capital is particularly evident during crises, when their commitments to local communities and intangible values become as important as financial goals. Therefore, it is crucial for researchers and policymakers to develop more precise metrics and indicators that reflect the impact of family businesses on social security. Such tools could facilitate a deeper understanding and better utilization of their potential in stabilizing societies.

The limited body of research on this group of enterprises is likely attributable to definitional challenges. The lack of precise definitions of family businesses results in their classification as a broad and diverse category. Despite extensive studies and significant contributions from academics, management practitioners, and consulting firms, a clear and universally accepted definition of the term "family business" (alternatively referred to as "family enterprise" or "family firm") has yet to be established. The need to account for dynamic changes in the economy, family structures, and the cultural and legal conditions of business operations remains a fundamental and difficult barrier to overcome.

The search for an adequate definition is accompanied by the belief that it should be broad enough to encompass various types of family businesses while being specific enough to clearly distinguish them from other enterprises (Niedbała, 2002). However, these expectations are difficult to meet. In 2009, a group of European Commission experts determined that there are over 90 different definitions of family enterprises across the European Union (Resolution, 2017). The basic validation of the proposed definitions' usefulness involves applying them to estimate the number of family enterprises within the business population of a given country or region, which demonstrates the limited applicability of most definitions. The majority of these definitions assume that the ownership structure of the enterprise is dominated by the family, and that the owners hold managerial and/or supervisory roles. More rigorous definitions additionally assume that the enterprise (family) has already undergone the succession process, typically within the family.

Family businesses represent a significant segment of national economies, characterized by long-term goals that often transcend purely economic calculations in favor of socio-emotional values. These values, known as socioemotional wealth (SEW), play a fundamental role in shaping the strategies and practices of these enterprises, influencing their sustainable development and their ability to create social security. According to forecasts by the consulting firm McKinsey, by 2025, the number of family businesses worldwide with revenues exceeding $1 billion will increase from 8,000 to 15,000. Simultaneously, the share of family businesses compared to other legal and organizational forms will grow.

The Importance of Family Businesses for the Global and National Economies

According to a study conducted by the Bank of Korea, there are approximately 6000 companies worldwide that are over 200 years old: 56% in Japan, 15% in Germany, 4% in the Netherlands, and 3% in France. The majority of these companies are family-owned businesses. Some Japanese family firms, founded in the previous millennium, are still in operation today (primarily traditional hotel businesses, paper manufacturing, ritual goods production, etc.). In Europe, well-known family businesses established in the 16th and 17th centuries continue to operate successfully, such as Beretta (firearms manufacturing), Poschinger (glass production), Hahnemühle (paper production), Albrecht (metal production), and William Prym (family holding company), among others. Family businesses represent the dominant organizational structure worldwide, accounting for over 60% of global businesses, generating 50-75% of gross domestic product (GDP) and employment in each country. Family businesses are an integral part of the global economy. Approximately 30% of all companies with revenues exceeding $1 billion are family-owned, meaning business dynasties account for one-third of global capital.

However, family businesses are more often small and medium-sized enterprises, frequently micro-enterprises. In the small business segment, family firms occupy key positions and can be regarded as the foundation of the economy. Family businesses represent over 80% of all enterprises in free-market countries and contribute 70-90% of global GDP. Among the largest taxpayers in the European Union, 40% are family businesses, and there are around 14 million family firms in the EU, 50% of which have shown steady sales growth over the past 10 years. In Europe, 70-80% of businesses are family-owned, providing 40-50% of jobs; in Italy, family businesses account for 90% of industrial enterprises, in Germany – 85%, in Spain – 70%, and in Poland – 34%.

Family businesses are often deeply embedded in local communities, which translates into strong social engagement and the building of social capital as a crucial element of social participation. Understanding the links between social values and social security is key to developing strategies that support both economic and social development. As one of the pioneering researchers of social capital in Poland, Aleksandra Skrabacz (2023), emphasizes, a high level of social capital is a sine qua non condition for the efficient and secure functioning of local communities, where local entrepreneurs play a significant role. For this reason, their impact on social security cannot be overlooked in studies on social development and in the development policies of national and local authorities.

2. Socio-Emotional Wealth Theory

In contemporary literature on the subject, the concept of "socio-emotional wealth" (SEW) is used concerning the social capital of family businesses. This term highlights the differences between family and non-family firms, emphasizing non-financial elements that shape identity, influence, and the continuity of family businesses across generations. (Gomez-Mejia et al., 2007). These values may include preserving the business as a family legacy, maintaining decision-making control within the family, and safeguarding family harmony and reputation. The SEW model, developed by Gomez-Mejia, Cruz, Barrone, and De Castro (Gomez-Mejia et al., 2011), is deeply rooted in traditional research paradigms from financial economics and strategic management, while also emerging from studies on family businesses.

The application of the SEW model in family business research is a relatively new approach, certainly requiring further study, yet it already introduces some methodological consistency and offers a new tool for examining family firms. Research paradigms designed for non-family organizations struggled to address the uniqueness of family businesses. The SEW model, as a new theoretical framework for family firms, provides research uniformity, common terminology, and consistent interpretation of results.

In a simplified view, the SEW model suggests that family businesses are generally motivated and committed to preserving their socio-emotional wealth, referring to the non-financial or "affective resources" of family owners. Within this framework, gains or losses in SEW serve as a key reference point that family businesses use when making important strategic and policy decisions.

One of the main characteristics of family businesses is their long-term perspective. The primary goal of family business owners is to remain on the market for as long as possible and pass the business on to future generations, in contrast to focusing on short-term profits. Focused on the long-term survival of the business, private companies shape their policies to endure across generations, weather new governments, crises, manage debts, recover, grow, and adapt to new tax systems and other changes that may initially shock and weaken the business. They aim to become a unifying force for the next generation.

Employee job satisfaction in family businesses is also higher than in non-family firms. This is because employees often interact not only with their direct supervisors but also with the owners. This can be a motivating factor, as it is often the owners who are the visionaries of the firm.

The intangible resources of family businesses include unique values that go beyond traditional definitions of intangible assets (Berrone et al., 2012). These values arise from the synergy and coexistence of the family and the enterprise in family firms. In addition to profit, family-run businesses can offer many intangible benefits, such as building trust and mutual support among colleagues who work towards a common goal, which leads to success.

The socio-emotional wealth model applied in this study encompasses five main dimensions known by the acronym FIBER: (Family Control and Influence, Identification with the firm, Binding social ties, Emotional attachment, and Renewal of family bonds through succession). These dimensions will be discussed in detail in the research section of the paper.

Social capital and family values serve as the "driving force" of family businesses and are key sources of their competitive advantage (Sirmon, Hitt, 2003).

3. Social Capital: A Theoretical Analysis

Social capital can serve as a valuable tool for studying socio-economic realities that are not always easily captured by traditional research methods. However, it is important to note that the concept of social capital contains many underdeveloped elements and ambiguities, particularly in the area of methodology. The complexity and multi-faceted nature of this issue mean that social capital is defined in various ways. Francis Fukuyama emphasizes the relationship between social capital and economic, social, and political activity (Fukuyama, 2000). His definition of social capital is based on informal values and ethical norms shared by members of a given group, which enable mutual cooperation. A key element that enhances the efficiency of a group's functioning is increasing trust. According to Fukuyama, social capital is built from the family level through social groups to institutions, with the involvement of traditions, culture, history, religion, customs, and market activities.

Robert Putnam highlights three core values as elements of social capital, arguing that "social capital refers to those features of social life networks, norms, and trust that enable participants to act together more effectively to pursue shared objectives" (Putnam, 1995).

This approach integrates various aspects of social capital with social needs and development, similar to Fukuyama’s considerations, which highlight the relationship between social capital and economic activity.

Family businesses, due to their unique structure and culture, can play a key role in building and maintaining social capital. Trust, a central element of social capital, also forms the foundation of social security. In a society where mutual trust prevails, it is easier to build a stable and secure environment. In family businesses, trust is often stronger than in other types of enterprises, which can contribute to better risk and security management. The role of trust as a component of social capital is emphasized by both Putnam and Fukuyama. The latter writes, “social capital refers to the strength of a community derived from the widespread dissemination of trust within the society or its segments”.

Social networks, which facilitate the exchange of information and resources, are crucial to both concepts. In the context of social security, these networks can serve as communication and support channels during crises.

Social capital as a value is prominently featured in successive medium- and long-term national development strategies. In “The Report Poland 2030”, which serves as a reference framework for the Long-Term and Medium-Term National Development Strategies, the enhancement of social capital is identified as one of the ten key developmental challenges for the country. Significant attention is given to the role of engagement in non-governmental organizations, which facilitates collaboration at the local level, as well as to general interpersonal trust - an essential factor in building social capital.

4. Research methodology

The analyses conducted in this article are based on selected results from a questionnaire survey carried out by the Central Statistical Office of Poland (GUS) across the entire country (GUS, 2022), the results of social cohesion studies (GUS, 2020), and data from reports by the Department of Economic and Social Affairs (UN DESA) and the Organisation for Economic Cooperation and Development (OECD). Based on the alignment of key success factors identified in the GUS survey with the dimensions of SEW, an attempt was made to define social capital indicators contributed by family businesses, which could serve as a basis for studying social security.

The GUS survey focused on non-financial sector enterprises in Poland employing 10-249 people (i.e., small and medium-sized enterprises). The analysis of the situation of family businesses covered areas that, according to the literature, are considered specific and distinctive compared to the broader small and medium-sized enterprise (SME) sector. The sample comprised 44.9 thousand Polish enterprises in total. Of all respondents, approximately 14.7 thousand, or 33.9%, identified their companies as family businesses. Among the surveyed entities employing between 10 and 49 people, family businesses accounted for 35.4%, while for larger entities employing 50-249 people, they constituted 27.4%.

The share of family businesses varied across regions, with the highest percentages (among surveyed enterprises) identified in the Wielkopolskie, Łódzkie, and Podlaskie voivodeships.

One of the key distinguishing features of family businesses are their unique success factors. In the GUS study (GUS, 2023), respondents were asked about success factors grouped into four categories: Emphasis on continuous development (1), Resource and Process organization (2,3), and a Specific approach to the external environment (4). These categories allow for mapping the dimensions of SEW within each category and identifying corresponding social security indicators.

The SEW model is not yet widely applied in research, but it can serve as an effective analytical tool for interpreting a broad spectrum of phenomena related to family businesses, including the study of social capital built by family firms, which serves as the foundation for social security.

5. Research findings

In the analysis conducted for this study, the specific success factor categories developed by the Central Statistical Office (GUS) in its research on family businesses were mapped against the dimensions of socio-emotional wealth in family firms. This comparison enabled the identification of indicators of social capital built by family businesses. The analysis utilized data from "The Quality of Life and Social Capital" report prepared by GUS, as well as reports from the Department of Economic and Social Affairs (UN DESA) and the Organisation for Economic Cooperation and Development (OECD).

Table 1.
Mapping of SEW Dimension and Success Factors

Sew (socio-emotional wealth of the firm)/ success factor	Continuous development	Company resources	Internal processes	Market environment and approach toward it
Identification with the Firm		Employment Stability Indicator		
Binding Social Ties	Community Investment Indicator			Local Engagement and Participation Indicator
Emotional Attachment			Transfer of Values and Traditions Indicator	

Source: own materials.

Family businesses also have their own specific sources of success, distinct from the characteristics of non-family enterprises, which allow them to improve their market position more consistently than non-family firms. Moreover, the larger the family business, the greater the advantage. For the purposes of this analysis, the definition provided by the Central Statistical Office (GUS) has been adopted, which, due to the general nature of its research, considers success factors to be key stimulants of enterprise development processes. These stimulants have been grouped into four categories: 1. Emphasis on Continuous Development, 2. Resource Organization, 3. Process Organization, and 4. A Specific Approach to the External Environment.

The category of Continuous Development is understood as the constant search for growth opportunities, the structuring of development directions, and reliance on market information. This category allows for the assessment of a company's outlook on the future, including indicators of optimism and acceptable levels of risk. The uniqueness of family businesses is particularly evident in this area, with 57.6% indicating that they utilize competitive analysis in shaping their actions and place great importance on actively seeking market niches (50.3%). Additionally, family businesses demonstrate a higher willingness to change fundamental development directions compared to non-family firms.

The Company Resources Category focuses on the owner, employees (human resources), and tangible investments (including financial resources). In family businesses, due to the scale of operations and the ownership structure, the key resource is the leader, whose role, competencies, and skills are crucial. GUS research indicates that 56% of family businesses build their success on the dominant role of the leader, with 60.8% of respondents evaluating the leader's influence as a critical factor for the firm's success.

According to respondents' opinions, the key personality and competency determinants of the leader include market knowledge, self-confidence, ambition, determination, consistency, and extensive management experience. In the internal resources category, special attention should be given to the relational capital of family businesses, as expressed in the business relationships between the company and its clients. The research results show that long-term relationships with clients were considered crucial for the success of family businesses by 74.4% of respondents.

Internal Processes primarily involve risk management and processes that support market expansion. A key aspect of analyzing internal processes is the company’s approach to financial risk. According to GUS research, the propensity to take risks among family businesses was significantly higher than among non-family firms.

The Market Environment and Approach Toward It reflects openness to collaboration with external institutions and companies, seeking partnerships and establishing connections, and viewing legal barriers as a natural part of the market landscape. A key element of family business operations is the importance of the local environment for market success. Regardless of size, family businesses were more likely to exhibit a strong local orientation compared to non-family firms.

The success factors identified represent a unique source of competitive advantage for family businesses compared to non-family enterprises. The concept of studying the sources of such an advantage whether through actions, resources, processes, or the environment stems from the traditional, behaviorally grounded approach in both Polish and international literature on enterprise performance.

The mapping of family business success factors with socio-emotional wealth values is an attempt to adopt a comprehensive approach that incorporates both the business and family spheres. As a result of this alignment, indicators of the social capital generated by family businesses that contribute to social development in local communities have been identified. The next task will be to further develop and design a set of elements that will serve as a useful foundation for conducting research through questionnaires, specifically designed to capture the measurable contribution of family businesses to the creation of social capital.

6. Discussion

The SEW model applied in this analysis, includes five main dimensions summarized by the acronym FIBER: Family control and influence, Identification with the firm, Binding social ties, Emotional attachment, and Renewal of family bonds through succession. For the purpose of mapping success factors, three values that, according to GUS research, have the greatest impact on the external environment were selected. These values are Identification with the firm, Binding social ties, and Emotional attachment. Each will be discussed in detail below.

Family Control and Influence – This dimension refers to the control and influence that family members exert over the company's operations. A distinguishing feature of family businesses is that family members maintain control over strategic decisions, often independent of financial considerations (Gomez-Mejia et al., 2007). This is a fundamental condition for preserving the firms SEW. This dimension can be measured by the number of positions held by family members or the number of family members on the company's board. However, it does not directly relate to social capital or social security, nor does it impact the quality of life in the local community, which is why this dimension was not selected for analysis.

Family Members' Identification with the Firm – The second dimension concerns the close identification of the family with the business. Researchers of family firms assert that the unique identity of family businesses stems from the intertwining of family and business interests (Berrone et al., 2010). The identity of the owner is often inseparable from the enterprise, which usually bears the family name. This leads to the company being perceived by both internal and external stakeholders as an extension of the family itself. Internally, this likely has a significant influence on attitudes toward employees, as well as other internal processes and the quality of services and products provided (Carrigan, Buckley, 2008). Externally, it makes family members highly sensitive to the image of the company, as presented to clients, suppliers, and other stakeholders (Micelotta, Raynard, 2011). Family businesses also tend to exhibit higher levels of social responsibility and engagement with the local community (Berrone et al., 2010). These characteristics were key factors in selecting this SEW dimension for mapping with success factors.

Binding Social Ties – The third dimension relates to the social relationships within family businesses. Research on family firms globally and in Poland (Więcek-Janka, 2013; Cruz, Justo, De Castro, 2012) suggests that family ties provide some of the same collective benefits seen in closed networks, such as collective social capital, relational trust (Coleman, 1990), and a sense of closeness and interpersonal solidarity (Uzzi, 1997). The reciprocal ties in family businesses are not limited to family members but likely extend to a broad range of stakeholders, such as long-term suppliers, who may be viewed as or actually be family members (Uhlaner, 2006). A sense of belonging, identity, and identification with the family firm is often shared by non-family employees, promoting stability and commitment to the business.

Family ties, extending from family members to employees and external stakeholders, likely create strong social bonds with the broader community as well. Family businesses are deeply rooted in their communities and often sponsor community-valued associations and activities, such as charities, local events. They may do this for altruistic reasons, for the pleasure of being recognized for their actions (Schulze et al., 2003), or for both reasons. Due to the strong and direct connection between this SEW dimension and its impact on the local community, it was selected for analysis.

Emotional Attachment – The fourth dimension refers to the role of emotions in family business contexts. While emotions are an integral part of everyday organizational life (Więcek-Janka, 2006), they are especially strong in organizations where family relationships dominate, as these relationships are shaped by shared past experiences and events that influence current actions, decisions, and relationships. Some researchers consider the blending of emotional factors from family involvement with business factors as a distinguishing feature of family firms, as well as the intertwining of family and business interests.

Since the boundaries between the family and the corporation are typically blurred in family firms (Berrone et al., 2010), emotions permeate the organization, influencing the decision-making process in the family business (Baron, 2008).

Emotions in family businesses are often discussed indirectly, relating to issues that affect the business, such as family conflicts (Więcek-Janka, 2019), personal relationships, family culture, trust (Steier, 2001), altruism (Zahra, 2003), and philanthropy (Cruz et al., 2010). However, emotions can also have negative effects, leading to dysfunctional family relationships. In contrast to non-family firms, where dysfunctional relationships and persistent conflicts often end with the termination of employment, in family firms, where emotional attachment is high, conflicts are maintained, perhaps involuntarily, with the hope that they will eventually resolve themselves. Given the direct impact of this dimension on the local community, it was also selected for analysis.

Renewal of Family Bonds to the Firm Through Dynastic Succession – The fifth and final SEW dimension refers to the intention of passing the business to future generations. This intergenerational continuity is one of the central aspects of SEW. The sense of succession continuity has temporal implications in the decision-making process. From a family shareholder's perspective, the firm is not simply an asset to be sold, as it symbolizes the family's legacy and tradition (Casson, 1999). Consequently, family members view the business as a long-term family investment meant to be passed on to descendants (Berrone et al., 2010).

Maintaining the business for future generations is widely seen as a key goal for the existence of family firms (Kets de Vries, 1993), and family businesses are known to plan over longer time horizons (Sirmon, Hitt, 2003). Although the long-term perspective may lead to undesirable consequences, such as managerial entrenchment or conflicts related to succession, the continuation of family values through the business and succession supports an "intergenerational investment strategy that creates patient capital" (Sirmon, Hitt, 2003, p. 343), fostering capacity building and learning.

Indicators of Social Capital Building by Family Businesses

As shown by GUS research, the discussed success factors characterize the largest group of family businesses in Poland. On the other hand, SEW values a priori apply to any company that is family-owned. Therefore, the social capital indicators derived from mapping these two elements can serve as a new tool for studying family businesses and effectively measuring their impact on the level of local social capital. In research on quality of life, indicators are numerical exemplifications of various aspects of societal functioning and its components. Family businesses are a vital part of societies, and measuring the level of social capital through indicators that assess and monitor the activities of family businesses is a new proposition that will be further developed by the author.

Assessing the impact of family businesses on social capital can be a complex task, involving both indicators and metrics. Table 2 presents the categories of social capital indicators built by family businesses, resulting from the alignment of SEW indicators and success factors.

Table 2.
Indicators of the Impact of Family Business on Social Capital

INDICATOR	DESCRIPTION	MEASUREMENT METHOD
Employment Stability	Evaluation of how stable employment is in family businesses and its impact on the economic security of employees.	• Employee turnover in family businesses. • Percentage of long-term employment contracts.
Local Engagement and Participation	Analysis of how family businesses engage in activities benefiting the local community.	• Number and quality of social initiatives supported by family businesses. • Participation of family businesses in local charitable projects.
Investment in the Community	How family businesses contribute to building and maintaining social ties in local communities.	• Number of employees from the same local community. • Family businesses' involvement in social and cultural events.
Transmission of Values and Traditions	How family businesses promote family values and traditions, potentially influencing social stability.	• Percentage of family businesses passed down through generations. • Employee satisfaction with the work environment and the values promoted by the company.

Source: own materials.

The indicators resulting from mapping of SEW values and family business success factors are: 1. local engagement and participation indicator, 2. community investment indicator -forms of financial support for social organizations' activities, 3. employment stability indicator, 4. transmission of values and traditions indicator. They are described in detail below.

1. Local Engagement and Participation Indicator is measured by the number of jobs created within the local community. This indicator shows how the company contributes to reducing local unemployment.
2. Community Investment Indicator reflects the forms of financial support for social organizations' activities and is measured as the percentage of company revenue allocated to social initiatives. It includes investments in education, health, local culture, infrastructure, etc.
3. Employment Stability Indicator represents the ratio of long-term employment contracts to the total number of contracts. A higher percentage of long-term contracts may indicate stable employment, which translates into greater economic security for employees.
4. Transmission of Values and Traditions Indicator is measured by the percentage of family businesses passed down through generations. It also includes employee satisfaction with the work environment and the values promoted by the company.

Family businesses often invest in local communities, creating stable jobs and supporting local social and educational projects. In doing so, they not only strengthen the economic foundation of the region but also build strong, lasting social relationships, contributing to a general sense of security and social belonging. The unique ability of family businesses to think in terms of generations can foster long-term investments in the community that go beyond the typical investment cycles of non-family businesses. Assessing the impact of family businesses on social capital can be a complex task, involving both indicators and metrics. The impact of family businesses on social capital can be measured using impact metrics, which have also been derived from the alignment of SEW values with the success factors of family businesses (Table 3).

Table 3.
Metrics of the Impact of Family Businesses on Social Capital

No.	METRIC NAME	DESCRIPTION	METRIC
1.	**Number of Jobs Created by Family Businesses**	Specific measurement of the number of people employed by family businesses.	• Number of full-time and part-time jobs created by family businesses in a given region.
2.	**Percentage of Employees with Long-Term Employment**	Measurement of employment stability in family businesses.	• Percentage of employees who have been employed by the family business for at least 5 years.
3.	**Investments in Local Social Infrastructure**	Amount and frequency of family business investments in social projects such as schools, hospitals, or other public services.	• Amount spent on infrastructure projects within a year.

Cont. table 3.

4.	**Employee Satisfaction Level**	Measurement of how satisfied employees are with working conditions in family businesses, which may affect their stability and social security.	• Results of employee satisfaction surveys.
5.	**Family Businesses' Contribution to Local Community Income**	Measurement of the contribution of family businesses to the local economy.	• Percentage share of income generated by family businesses in the total income of the local community.

Source: own materials.

The issue of social capital can be analyzed through three established theoretical research approaches: based on the level of happiness, based on resources and services, and based on existential needs. Given that social capital is inherently a dynamic variable, measuring it involves the process of searching for and applying various types of indicators. These indicators can be derived from statistical research data used to describe and evaluate social phenomena, one of which is the phenomenon of family entrepreneurship. The use of family business activities to establish new social capital indicators aligns with this process of indicator development.

7. Conclusions

In the context of social development, the presence and growth of family businesses in society can significantly support the level of social capital. A key aspect of this support is the ability to measure social capital through various indicators. In this regard, research on family businesses can prove valuable, as their number and influence in a given area may serve as a crucial indicator of the satisfaction of basic existential needs in local communities. These indicators can be applied to describe and assess social phenomena, serving as a measure of the quality of social capital or quality of life at the local level.

The author of this study plan to further verify their hypothesis through quantitative research. If subsequent studies confirm the hypothesis, family businesses may be considered an additional indicator of social capital at both national and global levels.

This article makes a significant contribution to the existing literature in two ways. First, it proposes a systematic set of metrics and indicators to study the impact of family businesses on social capital. Until now, family businesses have been examined using universal tools borrowed from other disciplines, mainly financial economics and strategic management, where the primary focus was on large, publicly traded corporations with widely dispersed ownership. The proposed set of SEW dimensions represents a new tool that requires operationalization. The attempt to combine SEW dimensions with the success factors of family businesses has allowed for the proposal of a set of metrics and indicators, which we have termed: 1. local engagement and participation indicator, 2. community investment indicator, 3. employment stability indicator, and 4. transmission of values and traditions indicator.

Second, our research provides an interdisciplinary integration of the latest findings on family businesses with the field of social capital. By doing so, we initiate a discussion on critical elements of social development, whose contribution could be the development of strategies for regional socio-economic policy. Scientific discourse on this subject will allow for a better understanding of how the stability and growth of family businesses affect the cohesion and development of local communities. Such an analysis could also contribute to the creation of more sustainable management strategies and policies that support both family businesses and broader social capital frameworks.

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