

Stewardship behavior and managerial performance in family businesses

Comportamento stewardship e desempenho gerencial em empresas familiares

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Keywords

Stewardship behavior.
Management control systems.
Managerial performance.

Abstract

This study analyzed the influence of the stewardship behavior of non-family managers on the managerial performance of family businesses. Additionally, it analyzed the mediating effect of formal and informal control systems on this relationship. A survey was carried out with 199 managers of Brazilian family businesses, and structural equation modeling was applied to analyze the data. Results showed a positive influence of stewardship behavior on task and contextual performance, with the intervention of the management control systems. Formal control systems influence the effect of stewardship behavior on task and contextual performance, while informal control systems help explain only the effect on contextual performance. The study answered the call for more research on family businesses and revealed that behavioral variables of non-family managers influence performance. The findings prompt these companies to intensify the stewardship behavior of these managers, given its effects on managerial performance.

Palavras-chave

Comportamento stewardship.
Sistemas de controle gerencial.
Desempenho gerencial.

Resumo

Este estudo analisa a influência do comportamento stewardship dos gestores não familiares no desempenho gerencial em empresas familiares. Adicionalmente, analisa o efeito mediador dos sistemas de controle formal e informal nesta relação. Uma survey foi realizada com 199 gestores de empresas familiares brasileiras e na análise dos dados aplicou-se a modelagem de equações estruturais. Os resultados mostram influência positiva do comportamento stewardship no desempenho de tarefas e contextual, com a interveniência dos sistemas de controle gerencial. Os sistemas de controle formal influenciam o efeito do comportamento stewardship no desempenho de tarefas e contextual, enquanto que os sistemas de controle informal ajudam a explicar apenas o efeito no desempenho contextual. O estudo atende a chamada para mais pesquisas em empresas familiares e revela que variáveis comportamentais de gestores não familiares influenciam o desempenho. Os achados instigam estas empresas a intensificar o comportamento stewardship desses gestores, dado seus efeitos no desempenho gerencial.

Article information

Received: March 04th, 2022
Approved: September 23th, 2022
Published: December 14th, 2022
Responsible editor: Dr. Sílvio Hiroshi Nakao

Practical implications

The results of the study may stimulate family businesses to direct resources that aim to increase the intrinsic motivation, organizational identification, and use of power of the individuals, in addition to adopting a management philosophy oriented towards involvement and organizational culture of support, given its effects on managerial performance.

1 INTRODUCTION

Beyond the support of the agency theory, evidence points to the backing of the stewardship theory in research on the behavior of managers in family businesses (Madison et al., 2017). The agency theory assumes agent behavior of managers that is opportunistic of self-interest and motivated by economic issues, which may cause conflicts of interest with the principal (Jensen & Meckling, 1976). Under this presumption, studies prescribe mechanisms to monitor and control the actions of managers, such as executive reward systems and governance structures (Jensen & Meckling, 1976; Chrisman, 2019).

The stewardship theory, in turn, assumes that managers have stewardship behavior, i.e., collectivist and cooperativist behavior that is, therefore, pro-organizational, intrinsically motivated to align themselves with the interests of the principal (Davis et al., 1997). Thus, studies based on this theory endorse mechanisms based on trust to promote the continuous alignment of interests between managers and owners (Chrisman, 2019).

Different Management Control Systems (MCS) may assist in mitigating conflicts of interest between managers and the organization when used to direct and monitor the behavior or actions of individuals (Helsen et al., 2017; Beuren et al., 2020). MCSs may be formal, used to clarify organizational goals and provide detailed task steps to managers to achieve targets, or informal, used to develop desired conduct and convey core values of the organization (Kleine & Weißenberger, 2014).

Hence, along with the use of formal and informal MCSs, stewardship behavior may contribute to better managerial performance (Chrisman, 2019). The literature is silent about the interactions of these elements, despite the evidence that it is not only one of them that exerts an influence on managerial performance (Helsen et al., 2017; Quinn et al., 2018). The direction or strength of the behavior of the manager on managerial performance in isolation may be different when mediated by the use of MCS, given that both have been shown to be relevant to the performance (Chrisman, 2019) of tasks (Çetin & Askun, 2018) and contextual performance (Kuvaas et al., 2017).

Studies based on the stewardship theory have prioritized focusing on organizational outcomes (Zahra et al., 2008). The finding that little empirical attention has been paid to outcomes at the individual level led Neubaum et al. (2017) to investigate the association of the stewardship climate with aspects of the individual and recommend that future research test its relationship with individual performance. This demand and the gaps already exposed motivated the present study, which aimed to analyze the influence of the stewardship behavior of non-family managers in the managerial performance of family businesses. Additionally, it analyzed the mediating effect of formal and informal control systems on this relationship.

In the presumption that family businesses present characteristics that propagate a more stewardship-oriented environment (Helsen et al., 2017), also due to the notion that they make evident differences in the way of implementing and using MCSs (Quinn et al., 2018), they seem a favorable field for the development of the study. Because it has its roots in the behavioral field, the definition of a family business by Chua et al. (1999) is used: a company governed and/or managed with the intention of shaping and pursuing the business vision held by a dominant coalition controlled by one or a few families and sustainable between the generations of the family or families.

Thus, this study contributes by investigating the effects in family businesses of the stewardship behavior of non-family managers on managerial performance (tasks and contextual) considering the two formalizations proposed by the stewardship theory (individual and organizational), with the intervention of formal and informal control systems. The premise is that stewardship behavior may have implications for the use of MCSs in family businesses (Helsen et al., 2017). Thus, the call for more research on family businesses is answered, given that, in addition to family participation, there are other variables that influence performance (Beuren et al., 2016).

2 LITERATURE REVIEW AND HYPOTHESES

2.1 Stewardship theory

The stewardship theory has received increasing attention in the literature (Helsen et al., 2017) for addressing the employment relationship between two parties, the principal (owner) and the steward (manager), in the behavioral and structural perspectives (Davis et al., 1997). According to Davis et al. (1997), in the stewardship theory, the human model is based on a steward, whose behavior is systematic and who, from collective and pro-organizational behaviors, seeks to meet the interests of the organization, and the principal, who creates a conducive environment to encourage this type of behavior.

This theory proposes a different view of the agent-principal relationship defended by the agency theory

(Neubaum et al., 2017; Chrisman, 2019). The agency theory examines the conflicting relationship between principal-agent yearnings (Jensen & Meckling, 1976). The stewardship theory was proposed as a complement to these limits, when the conflict does not occur, and the goals of the parties are similar (Davis et al., 1997). Both theories focus on the principal-manager relationship but present different assumptions and prescriptions.

The agency theory is based on the economic model of the individual, grounded in economics (Jensen & Meckling, 1976). The stewardship theory is based on the humanistic model of the individual, grounded in psychology and organizational sociology (Davis et al., 1997). It presupposes that managers behave as stewards, motivated by the fulfillment of higher-order needs, and put the interests of the principal ahead of self-interest (Davis et al., 1997; Chrisman, 2019). It is up to the company to provide a stewardship-oriented organizational structure, i.e., a collectivist and cooperativist culture, to favor the stewardship behavior of the manager and thus bring benefits to the organization (Davis et al., 1997; Chrisman, 2019).

2.2 Stewardship behavior and managerial performance

The literature points out that organizations with a stewardship-oriented environment positively influence strategic flexibility (Zahra et al., 2008), innovation, and organizational performance (Neubaum et al., 2017). The positive effects of stewardship behavior and the stewardship-oriented structure on organizational outcomes arise from individual and organizational factors (Davis et al., 1997; Neubaum et al., 2017; Chrisman, 2019).

Individual factors comprise personal characteristics that may affect behavior, such as work motivation, organizational identification, and use of power (Davis et al., 1997; Neubaum et al., 2017). In contrast to the individual factors, which are intrinsically linked to the conception of the human model, organizational factors focus on situational aspects and refer to the individual perception of organizational characteristics, such as management philosophy and culture (Davis et al., 1997; Neubaum et al., 2017). Therefore, individual and organizational characteristics constitute the psychological foundations that foster stewardship behavior (Chrisman, 2019).

The assumption in this study that individual and organizational characteristics influence managerial performance was based on research that brought contributions about motivation (Kuvaas et al., 2017; Çetin & Askun, 2018), organizational identification (Callea et al., 2016; Piccoli et al., 2017), use of power (Biong et al., 2010; Reiley & Jacobs, 2016), management philosophy (Alfes et al., 2013; Smith et al., 2018), and organizational culture (Fu & Deshpande, 2014; Swalhi et al., 2017).

Research indicates that companies with intrinsically motivated managers are able to present more considerable task performance (Çetin & Askun, 2018) and contextual performance (Kuvaas et al., 2017) because they expand their capabilities in performing tasks through involvement in organizational activities (Kuvaas et al., 2017). To Davis et al. (1997), without intrinsic motivation, there is no stewardship behavior because the manager is unable to realize that aligning their personal goals with those of the organization may produce personal rewards.

Organizational identification has shown positive results for individuals and the organization, including task and contextual performance (Callea et al., 2016; Piccoli et al., 2017). Managers who identify with the organization tend to reach their goals, cooperate with colleagues, and achieve better performance in the organization (Callea et al., 2016; Piccoli et al., 2017). Regarding the use of power, Biong et al. (2010) observed that personal power (reference and specialization) may stimulate the ethical values of the organization and, consequently, provide more significant task performance. Reiley and Jacobs (2016) found that subordinates present better contextual performance when their superiors make use of personal power.

An involvement-oriented management philosophy may also have positive effects on task and contextual performance (Alfes et al., 2013; Smith et al., 2018). Alfes et al. (2013) found that an involvement-oriented management philosophy provides explicit and implicit signals to subordinates about the extent to which they are valued and trusted, generating feelings of obligation, which leads to more considerable task performance. Smith et al. (2018) found that this philosophy may promote proactive behaviors, such as helping each other and making suggestions for improvements, which results in a greater task and contextual performance.

The organizational culture of support has shown positive effects on commitment and satisfaction at work but not on managerial performance (Fu & Deshpande, 2014). However, job satisfaction (Fu & Deshpande, 2014) and organizational commitment (Swalhi et al., 2017) may contribute to better performance. By promoting more significant commitment and job satisfaction, the organizational culture of support may reflect on managerial performance. From the above, the following is conjectured:

H₁: Stewardship behavior is positively related to task performance (H_{1a}) and contextual performance (H_{1b}).

2.3 Effects of the use of formal and informal control systems

MCSs are mechanisms by which managers seek to align the capabilities, activities, and performance of individuals with organizational targets and aspirations (Cardinal et al., 2017). To these authors, the primary function of MCSs is to assist in achieving organizational goals, considering individuals with different perspectives, tasks, and functions at work. The literature offers different MCSs to measure, monitor, and manage performance (Jaworski, 1988; Falkenberg & Herremans, 1995; Langfield-Smith, 1997).

In this study, we chose the formal and informal control systems because this typology allows a more objective classification of MCS elements and is less influenced by perceptions (Cardinal et al., 2017). Formal control systems are designed to influence the behavior of individuals, groups, and the organization in order to assist managers in operationalizing organizational strategies or codifying them (Jaworski, 1988). These systems contribute to organizations since they reduce uncertainties by establishing a basis on which the behavior of individuals may be directed (Falkenberg & Herramans, 1995).

In contrast, informal control systems have no influence on explicit and measurable measures, in addition to not being consciously designed (Falkenberg & Herremans, 1995). They are derived from the organizational culture, consisting of values, beliefs, ties, management styles, and group traditions that guide actions and behaviors (Langfield-Smith, 1997). Managers may use these systems to informally communicate rules, policies, procedures, and goals to individuals, in addition to indirectly directing their behavior to organizational goals (Cardinal et al., 2017).

The literature provides evidence that certain behaviors of managers concerning leadership style trigger choices of specific MCS practices (Kleine & Weißenberger, 2014). Stewardship managers are transformational leaders who have a social relationship with their subordinates and use personal power to motivate them through respect, trust, charisma, experience, skills, and professional knowledge (Helsen et al., 2017; Quinn et al., 2018). Thus, they may use formal control systems to manage their interpersonal relationships with subordinates while using informal control systems to communicate organizational values and encourage cooperation among members (Kleine & Weißenberger, 2014).

Studies have also suggested that MCSs influence managerial performance (Kreutzer et al., 2016; Altintas et al., 2017; Souza & Beuren, 2018). Kreutzer et al. (2016) jointly analyzed formal and informal control systems and found that joint use may act as a substitute or complement so that managers are able to exercise their activities and obtain better performance from the team. Altintas et al. (2017) observed that the use of formal and informal control systems by managers influences the organizational commitment of subordinates, which enables tasks to be accomplished and sales performance to be achieved. Souza and Beuren (2018) observed that using enabling MCSs can generate psychological empowerment in employees, which may indirectly affect individual performance. Given the above, the following is presumed:

H₂: The use of formal control systems has a mediating effect on the relationship of stewardship behavior with task performance (H_{2a}) and contextual performance (H_{2b}).

H₃: The use of informal control systems has a mediating effect on the relationship of stewardship behavior with task performance (H_{3a}) and contextual performance (H_{3b}).

3 METHODOLOGICAL PROCEDURES

3.1 Population and sample

A survey was conducted with non-family managers of family businesses in the ranking of the thousand largest in the *Valor Econômico* magazine. The following procedures were adopted to select the companies: (i) access to the companies listed in the ranking of the thousand largest in the *Valor Econômico* magazine; (ii) removal of financial and government companies and those listed on *Brasil, Bolsa, Balcão* [B]³ and from the third sector, as well as companies with foreign control; and (iii) managers of companies potentially aligned with the definition of family business based on their capital. Therefore, the population comprises privately held companies.

The removal of companies publicly traded on [B]³ follows from the perspective that, to be characterized

as a family business, it is not enough to be controlled by the members of the same family or a small number of families; there must exist the intention that the business be maintained by it (Frezatti et al., 2017). Because they are regulated by the Central Bank of Brazil, financial institutions have a governance structure and internal controls different from the others. The exclusion of companies with foreign control was due to the scope of the research: Brazilian family companies.

We adopted the concept of family businesses proposed by a group of experts from the European Union, which considers the presence of the family in the organization and its ownership structure (EC, 2009). Companies meet this definition if: (i) the ownership of the majority of the decision-making rights is in the hands of persons who founded the company or who acquired the capital, or their spouses, parents, children, or direct heirs of their children; (ii) at least one representative of the family or relative of the founder is formally involved in the governance of the company; and (iii) the person who founded or acquired the company and/or their family or descendants owns 25% or more of the decision-making rights due to their capital proportion (EC, 2009).

Therefore, a manager was only a candidate to participate in the study if the company they worked in met these parameters. Thus, companies that knowingly did not meet these parameters were initially excluded from the population. For the others, the corporate composition was investigated on the websites of the companies, characteristics later confirmed by the questionnaire. After that, an invitation was sent through LinkedIn to managers of companies considered family businesses. The terms manager, supervisor, and coordinator were used in the search process. A total of 1150 invitations were sent, with 600 managers accepting to participate in the study, to whom the link to the questionnaire on the platform SurveyMonkey was sent from August to December 2019. A return of 199 valid questionnaires was obtained.

The minimum sample size was defined according to the recommendations of Ringle et al. (2014) by software G*Power. One latent variable (stewardship behavior) and two mediating variables (formal and informal control systems) were considered, with an effect size of 0.15, a significance level of $\alpha = 0.05$, and a sample power of $1 - \beta = 0.8$, with three predictors. The minimum sample for the model is 85 respondents, so the 199 responses obtained met this minimum threshold.

The sample profile indicates that 87% of the managers worked in privately held family companies and 13% in limited liability companies. Among the respondents, there was a predominance (81%) of males and a higher concentration (52%) in the age group from 31 to 40 years, followed by those (28%) aged 41 to 50 years. In addition, 67% had *lato sensu* graduate degrees, 25% of the respondents had worked in the companies for less than two years, and 26% for more than 11 years. The most prevalent position was of manager (51%), and the highest concentration (46%) of time in the position was up to two years.

3.2 Constructs and research instrument

The research constructs comprised stewardship behavior, the use of formal and informal control systems, and managerial performance. The assertions for the variables and their respective constructs were initially translated into Portuguese and later converted to English (original language), a procedure known as the back-translation, to be sure of the correct translation.

The stewardship behavior construct consisted of five variables (motivation, organizational identification, use of power, management philosophy, and organizational culture), totalizing 18 assertions. The assertions regarding motivation and organizational culture were adapted from Zahra et al. (2008), with the interrogative questions basically being transformed into affirmations. The assertions for the other variables were adapted from Neubaum et al. (2017), changing the third-person plural to the first-person singular.

The use of formal and informal control systems construct comprised four variables, with 13 assertions. The three assertions regarding formal control of behavior and the four assertions concerning the formal control of outcomes were taken from Kreutzer et al. (2016). For informal behavior control, the first statement was taken from Kreutzer et al. (2016), and the following two from the professional control instrument by Jaworski and Macinnis (1989). Finally, the first two assertions regarding informal outcome control were adapted from Kreutzer et al. (2016), and the third from the self-control instrument by Jaworski and Macinnis (1989).

The construct of task and contextual managerial performance comprised 13 assertions. The research instrument by Mahama and Cheng (2013) was used for task performance, and that by Van Dyne and Lepine (1998) for contextual performance. The adaptation of the questionnaire by Mahama and Cheng (2013) implied the transformation of interrogative questions into affirmations. In the questionnaire by Van Dyne and Lepine (1998), the assertions were in the second-person singular, here changed to the first-person singular.

Before proceeding to data collection, the research instrument was submitted for evaluation to two researchers in management accounting. From the reading, they pointed out some assertions that were not clearly written, which were revised. The research instrument was also evaluated by two managers of a large family business, more precisely, a family member responsible for the after-sales sector and a non-family member responsible for the human resources sector. The managers did not point out problems of understanding.

The same respondents answered all assertions in the questionnaire, so there are risks of common method bias (Podsakoff et al., 2003). To minimize these effects, the anonymity of the respondents was ensured, guidance was provided that there were no right or wrong answers, and different semantics were used in the questions for the constructs. The risks of common method variance were measured by the evaluation of full collinearity, the values of which should be smaller than three (Hair Jr. et al., 2017), and the indication was that the model was free of common method bias.

3.3 Data analysis procedures

To test the hypotheses, partial least squares structural equation modeling (PLS-SEM) was used through the software SmartPLS. PLS-SEM is a predictive statistical approach to model complex multivariate relationships between observed and latent outcomes, which allows the estimation of a causal theoretical network of relationships linking latent complex concepts, each measured with several observable assertions (Hair Jr. et al., 2017).

Second-order reflective-formative constructs were chosen for the analysis of the model. Thus, hierarchical component modeling was used to form three second-order exogenous constructs: stewardship behavior (motivation, organizational identification, use of power, management philosophy, and organizational culture), formal control systems (formal control of behaviors and outcomes), and informal control systems (informal control of behaviors and outcomes). The indicators approach was used to obtain the latent scores of the first-order constructs, used as variables for the second-order constructs. This approach is useful when the number of indicators is not equal in the first-order constructs (Hair Jr. et al., 2017).

4 DESCRIPTION AND ANALYSIS OF RESULTS

4.1 Measurement model

Tests of the reflective measurement model were performed to evaluate its suitability before the application of PLS-SEM. In the analysis of the outcomes (Appendix A), the values recommended by Hair Jr. et al. (2017) were observed as follows: for convergent validity, external factorial loads ≥ 0.7 and average variance extracted (AVE) ≥ 0.5 ; for the internal consistency reliability, composite reliability ≥ 0.7 and Cronbach's alpha ≥ 0.7 ; for discriminant validity, Heterotrait-Monotrait (HTMT) confidence interval < 1 .

In the convergent validity analysis, Assertion 3 for the use of power construct was removed due to the low factorial load. After that, four questions presented loads lower than 0.70 but higher than 0.40, so they were maintained due to the AVE values higher than 0.5, which suggests convergent validity. The internal consistency reliability was also confirmed since the composite reliability and the Cronbach's alpha for the constructs reached the minimum required values. Finally, the estimation of the true correlation between two latent variables through the Heterotrait-Monotrait (HTMT) ratio indicated discriminant validity.

4.2 Structuring model

The structural model tests the strength and direction of variables by examining the collinearity (VIF), the structural model relationships (hypothesis testing), the coefficient of determination (R^2), the effect size (f^2), and the predictive relevance (Q^2) (Hair Jr. et al., 2017). The results of the analysis of direct and mediation relationships are presented in Table 1.

Table 1. Structural model results

Panel A – Direct analysis								
Structural relationship	Structural coefficient	Standard error	t-value	p-value	VIF	f ²	R ²	Q ²
SB → TP	0.400	0.109	3.660	0.000***	1.773	0.358		
FCS → TP	0.199	0.077	2.576	0.011**	1.584	0.039	0.358	0.191
ICS → TP	0.091	0.109	0.830	0.407	1.831	0.007		
SB → CP	0.202	0.080	2.517	0.013**	1.773	0.376		
FCS → CP	0.242	0.085	2.868	0.005***	1.584	0.059	0.376	0.208
ICS → CP	0.280	0.106	2.650	0.009***	1.831	0.069		
Panel B – Mediation analysis								
Structural relationship	Effects	Structural coefficient	Standard error	t-value	p-value	Mediation type		
SB → FCS → TP	Indirect	0.107	0.040	2.636	0.009***	Partial mediation		
SB → ICS → TP	Indirect	0.056	0.070	0.800	0.425	There is no mediation		
SB → FCS+ICS → TP	Total	0.562	0.072	7.838	0.000***	-		
SB → FCS → CP	Indirect	0.130	0.049	2.631	0.009***	Partial mediation		
SB → ICS → CP	Indirect	0.174	0.069	2.520	0.013**	Partial mediation		
SB → FCS+ICS → CP	Total	0.505	0.065	7.827	0.000***	-		

Caption: SB = Stewardship Behavior; FCS = Formal Control Systems; ICS = Informal Control Systems; TP = Task Performance; CP = Contextual Performance.

Note 1: f²: ≥ 0.02 is small, ≥ 0.15 is medium, and ≥ 0.35 is large; variance explained R²: ≥ 0.25 is weak, ≥ 0.5 is moderate, and ≥ 0.75 is substantial; recommended value for FIV < 5 (Hair Jr et al., 2017).

Note 2: *p < 0.10; **p < 0.05; *** p < 0.01.

Source: Elaborated by the authors.

The results indicate positive and significant direct relationships between the variables tested, except between the use of informal control systems and task performance, which did not present statistical significance. They also indicate a mediating effect of the use of formal control systems on the relationship between stewardship behavior and task performance. In contrast, the use of informal control systems did not have a mediating effect on this relationship. Moreover, the use of formal and informal control systems partially mediated the relationship between stewardship behavior and contextual performance.

4.3 Discussion of results

The first hypothesis predicts the influence of stewardship behavior on task performance (H_{1a}) and contextual performance (H_{1b}). The results indicate direct and positive relationships, which supports accepting them. It has been observed that intrinsic motivation (Kuvaas et al., 2017; Çetin & Askun, 2018), high organizational identification (Callea et al., 2016; Piccoli et al., 2017), use of personal power (Reiley & Jacobs, 2016), involvement-oriented management philosophy (Smith et al., 2016), and support culture influence the task and contextual performance of stewardship managers. Motivated by fulfilling higher-order needs, these managers will put organizational interests and goals ahead of their own (Davis et al., 1997; Madison et al., 2017; Neubaum et al., 2017), which provides superior performance in tasks related to organizational goals. Stewardship managers are proactive, cooperate with their colleagues, and present suggestions for improvements and actions in the organization (Davis et al., 1997; Madison et al., 2017); therefore, they work in a collectivistic way and perform tasks that go beyond their routine descriptions (contextual performance).

Hypotheses H₂ and H₃ postulate that the use of formal and informal control systems has a mediating effect on the relationship between stewardship behavior and managerial performance. The hypotheses testing results indicate that the use of formal control systems contributes to the execution of the activities of the technical core of the organization (task performance) and its discretionary core (contextual performance), which supports accepting the hypotheses H_{2a} and H_{2b}, respectively. For having a management philosophy focused on organizational goals and a transformational leadership style (Davis et al., 1997), stewardship managers use these systems to manage their interpersonal relationships with subordinates (Kleine & Weißenberger, 2014), increasing task performance.

To Kreutzer et al. (2016), formal control systems contribute to the alignment of individual and organizational targets. Hence, managers with stewardship behavior may use these systems to stimulate collaborative initiatives and the execution of work tasks so that organizational rules, procedures, and goals are met.

Finally, a mediating effect was observed of the use of informal control systems on the relationship between stewardship behavior and contextual performance but not task performance. Hence, H_{3a} is rejected, and H_{3b} is accepted. Informal control systems are uncoded but deliberate mechanisms that managers use to influence the means and direct the behavior of their subordinates and may include verbal encouragement and praise with the purpose of achieving the set goals (Kreutzer et al., 2016). Thus, managers with stewardship behavior may benefit from them to communicate organizational values and encourage the cooperation of subordinates (Kleine & Weißenberger, 2014) and, thus, increase contextual performance. The absence of intervention of using informal control systems on task performance may stem from the fact that the task requires more formal routines consistent with formal control systems, a finding that raises new research.

5 CONCLUSION

This study analyzed the influence of stewardship behavior on the managerial performance of family businesses. It also analyzed the mediating effect of formal and informal control systems on this relationship. The results revealed that the relationship between stewardship behavior and managerial performance is best explained by the inclusion of intervening variables in the model, such as the use of formal and informal control systems, given that the indirect effects of these variables on the relationships were positive and significant and contributed to a greater power of the structural coefficients and significance in the total effect. Thus, it indicates that formal and informal control systems positively influence the interaction between stewardship behavior and task and contextual managerial performance, except for the use of informal control systems and contextual performance.

The study contributes to the literature with the proposition and validation of a theoretical model that covers the stewardship theory elements at both the individual and organizational levels in Brazilian family businesses. In addition, the relationships proposed in this study extend previous research approaches by adding mediating variables to their domain, specifically when considering that the use of formal and informal control systems contributes to explaining the relationship between stewardship behavior and managerial performance. By relating elements of the Stewardship Theory with the MCSs, the study presents evidence that stewardship behavior may be an antecedent of the use of an MCS.

The research also has implications for family businesses. The stewardship behavior of non-family managers is essential in building the success of these companies. Given the significant relationship between stewardship behavior and task and contextual performance, family businesses should stimulate a stewardship-oriented culture, which involves managers. Moreover, task performance and contextual performance are driven by the use of MCSs since they assist managers in achieving organizational goals. The results revealed that stewardship behavior alone is not enough to fulfill the specific tasks of the job and carry out activities that go beyond their routine descriptions, but the use of formal and informal control systems allows for achieving high levels of managerial performance, with positive reflections on organizational performance.

It should be noted that non-family companies were excluded from this study, so the results cannot be generalized. Future studies may investigate different forms of ownership, such as non-family businesses, and identify stewardship behavior and its organizational and individual consequences. The constructs were evaluated from the perception of managers and by subjective measurements. Future research may reapply this study with people from different hierarchical levels, such as executive directors, and compare the perceptions. Other measurements may be used to assess the constructs of the proposed model. Finally, the exclusively quantitative methodology and the statistical techniques used limit the depth of the analyses. This may be improved with a longitudinal qualitative study, such as conducting a case study that can explain the relationships tested in this study with empirical evidence.

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How to cite this paper

Kaveski, I. D. S; Beuren, I. M. (2022). Stewardship behavior and managerial performance in family businesses. *Revista de Contabilidade e Organizações*, 16:e195446. DOI: <http://dx.doi.org/10.11606/issn.1982-6486.rco.2022.195446>

APPENDIX

Appendix A. Results of the measurement model

Latent variables	Items	Convergent validity		Internal consistency reliability			Discriminant validity
		External factorial loads	Reliability of indicators	AVE	Composite reliability	Cronbach's alpha	HTMT smaller than 1
Motivation	MOT1	0.887	0.787	0.709	0.924	0.896	Yes
	MOT2	0.734	0.539				
	MOT3	0.856	0.732				
	MOT4	0.862	0.743				
	MOT5	0.864	0.746				
Organizational identification	OID1	0.889	0.790	0.757	0.903	0.839	Yes
	OID2	0.906	0.821				
	OID3	0.812	0.660				
Use of power	UOP1	0.887	0.786	0.750	0.857	0.668	Yes
	UOP2	0.844	0.713				
Management philosophy	MGP1	0.722	0.521	0.571	0.799	0.636	Yes
	MGP2	0.749	0.560				
	MGP3	0.794	0.631				
Organizational culture	OCU1	0.799	0.639	0.661	0.886	0.828	Yes
	OCU2	0.850	0.723				
	OCU3	0.849	0.721				
	OCU4	0.750	0.562				
Formal behavior control	FBC1	0.856	0.732	0.639	0.839	0.710	Yes
	FBC2	0.871	0.758				
	FBC3	0.652	0.425				
Formal outcome control	FOC1	0.822	0.676	0.601	0.857	0.778	Yes
	FOC2	0.834	0.696				
	FOC3	0.715	0.512				
	FOC4	0.720	0.519				
Informal behavior control	IBC1	0.734	0.539	0.714	0.830	0.691	Yes
	IBC2	0.837	0.701				
	IBC3	0.787	0.619				
Informal outcome control	IOC1	0.868	0.753	0.714	0.882	0.798	Yes
	IOC2	0.894	0.798				
	IOC3	0.769	0.591				
Task performance	TP1	0.792	0.627	0.600	0.899	0.866	Yes
	TP2	0.631	0.398				
	TP3	0.764	0.583				
	TP4	0.836	0.699				
	TP5	0.823	0.677				
	TP6	0.784	0.615				
Contextual performance	CP1	0.662	0.439	0.612	0.916	0.893	Yes
	CP2	0.650	0.422				
	CP3	0.851	0.725				
	CP4	0.881	0.777				
	CP5	0.817	0.668				
	CP6	0.811	0.657				
	CP7	0.774	0.600				

Note: Recommended values for external factorial loads ≥ 0.7 ; AVE ≥ 0.5 ; Composite reliability ≥ 0.7 ; Cronbach's alpha ≥ 0.7 ; HTMT confidence interval < 1 (Hair Jr. et al., 2017).

Source: Elaborated by the authors.