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Longevity through emotional intelligence: a relationship marketing approach in family businesses

ABSTRACT

Purpose: This study aims to explore how emotional intelligence in members of family businesses can enhance their relationships with their stakeholders and whether adopting a relationship marketing approach could extend a family businesses' longevity, its success through generations.

Design/methodology/approach: A mixed method approach was adopted, and two studies (quantitative followed by qualitative) were conducted in Mexico on small to medium-sized enterprises. This study considers the perspective of owners and employers of family businesses.

Findings: The study provides important insights into the relationship between emotional intelligence and relationship marketing. Enhancing emotional intelligence in family members while conducting a relationship marketing approach, both internal and external, will result in better performance. Family businesses can alleviate conflicts inherent to family emotions while building and maintaining strong relationships with customers and suppliers that can secure the long-term success of the organisation by enhancing emotional intelligence.

Originality: Considering the majority of the literature is focused on highly developed economies such as the US, the UK and major developing economies such as China and India, this mixed method study offers Mexico as a novel setting that has become an important procurement hub in light of the recent global developments and international relationship policies.

Keywords: emotional intelligence, relationship marketing, longevity, family business, business performance, small businesses, SMEs.

INTRODUCTION

Because organizations depend on employees and human leadership, they are considered living structures, with behaviour that depends on the units that compose them: human beings. As individual states of humans fluctuate (physically, emotionally and intellectually), organisations also change over time as well (Cole, 1995).

In the family business setting, the strength of family ties (social and spatial) and inclusion of family members (structure) highly influence processes within organisations such as organisational learning (Gilani and Waqar, 2013). Therefore, the family network may be a socialisation tool to transmit the family cultural system and traditions (Lefebvre and Lefebvre, 2016; Trevinyo-Rodríguez and Bontis, 2010).

The literature on organizational behavior highlights the fact that management's emotions are influential in the performance of organizations (Betancourt *et al.*, 2014, Kotsou *et al.* 2019, Hilary *et al.*, 2016; Sirén, Patel, & Wincent, 2016; Souissi & Jarboui 2018). In the related literature, the emotional intelligence (EI) term implies social and emotional skills from an individual's perspective in managing themselves and others, and this concept have emerged to reflect this (Mckenna, 2012). EI was first defined by Salovey and Mayer (1990), even though Goleman (2006) is seen as the originator of this construct.

Research by Trevinyo-Rodríguez and Bontis (2010) suggests that emotions do influence processes in family businesses when family ties are strong, enhancing it when reciprocal emotions are positive, and blocking it when negative. The creative aspects of family bonding occur as a result of the sense of belonging to the family group through socialisation and organisational culture, undefined rules of trustworthy behaviour and shared beliefs that are disseminated among the members. A stronger connection between them emerges through family ties, fostering emotions that significantly influence the behaviour of individuals (Lefebvre and Lefebvre, 2016).

In consumer goods marketing, the importance of relationship building and management is increasing (Grönroos, 1994). This involves not only from the managerial perspective of Customer Relationship Management but also involving concepts such as trust, reciprocity, empathy and bonding with an emotional and behavioural focus (Yau *et al.*, 2000; Ryals and Payne, 2001, Pearson *et al.*, 2014). The shift in the mainstream paradigm turning the approach from a transactional to a relationship-oriented approach has become an overriding need to meet the real desires and needs of customers (Grönroos, 1994). As a result, a new approach incorporating EI skills in building relationships with stakeholders may be necessary as a strategy to ensure the long-term survival and success of businesses.

This research is situated in the general area of OB from a marketing perspective, as it explores how social structures converge towards a common purpose: business. Specifically, it seeks to understand the intrinsically and extrinsically driven emotions of individuals in the process of exchanging with others and how this leads to the development of long-lasting win-win relationships.

Context of the study

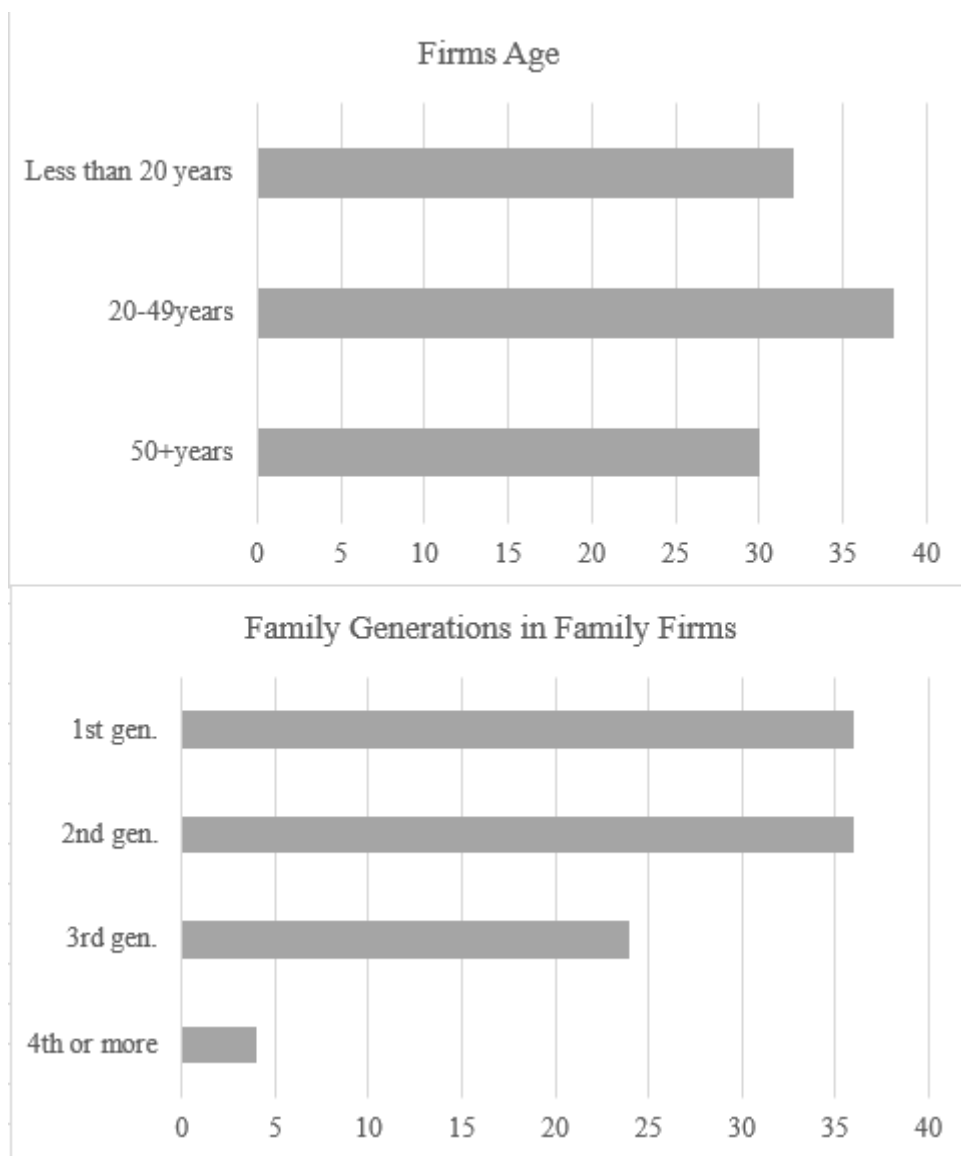
This study was conducted in Mexico and focuses on the employers as heads of both family and company organisations. As highlighted by PWC (2016a, p.3), family businesses are an important element of the national economy and GDP in Mexico serving as one of the main sources of employment, income generation and consumption promotion. Mexico has become a go-to destination for US companies to procure various products from in light of the current global conflicts and developments (e.g. Trump administration, Russia-Ukraine conflict) that led to a shift away from China (Tristan, 2022) in particular. Actually, Mexico City has been ranked by PWC (2016b) several years ago among the 30 world cities offering the most lucrative opportunities to its citizens, companies, investors and intellectuals regarding transportation, ease of doing business and cost of living. The city maintains its efforts in areas such as intellectual capital, innovation and quality of life to better compete with cities like Dubai or Shanghai (PWC, 2016b).

According to a survey made by PWC (2016a) on entrepreneurs of 50 enterprises in Mexico, four out of the five identified disadvantages impacting Mexican family companies are related to OB and longevity (i.e. family conflicts, non-family staff attraction and motivation, succession plan and reluctance to change). “Family conflicts constitute a fact that makes difficult the achievement of agreements, in addition to a high risk of disputes if the regulations are weakly established” (PWC 2016a, p.11). A lack of EI while handling relationships among members of organisations generates internal problems that impact the company's growth.

On the other hand, longevity poses an important challenge as companies face difficulties attracting and motivating non-family employees, as well as reluctance to change from older

partners and unstructured succession plan for company control and guidance in the future (PWC, 2016a). Figure 1 illustrates the longevity of Mexican family businesses (ibid). Country statistics indicate that 70% of family businesses disappear after the founder's death and only 10-15% survive to the third generation” (INEGI, 2016 p.1).

Figure 1: Longevity in Mexican Family Firms



Source: Authors own creation using data by PWC, (2016a)

It is imperative to consider the cultural influences on organizational behavior and family businesses (Lerner and Malach-Pines 2011). As illustrated in Figure 2, which provides a snapshot of

differences between US, Mexico, China and India using the Hofstede's framework, cultural differences are evident between developed and developing countries (The Hofstede Center, 2023). Further research that is devoted to under researched regions such as Latin America and Mexico will contribute to the literature and fill a research gap.

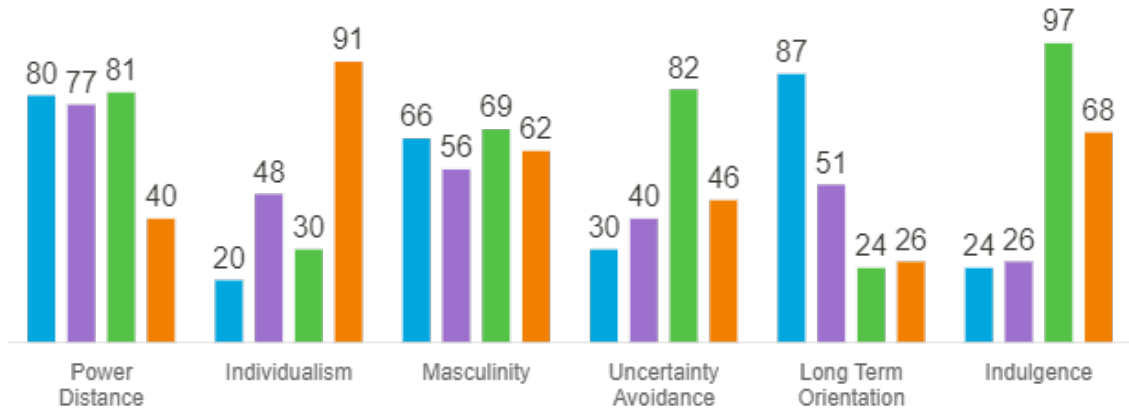


Figure 2: Country Comparison Source: (The Hofstede Center, 2023)

Aim and objectives

Withing this backdrop it is evident that more efforts should be made to understand the ways to improve the longevity of family businesses, which constitute a significant part of the economic activity. Considering the increased interest in Mexico and Latin America due to global developments and increased tension between US and Russia and China, this study aims to address the aforementioned research gaps by exploring how emotional intelligence in members of family businesses can influence their relationships for long-term firm success. Boundaries to accomplish the proposed aim were delimited by objectives framed in the Mexican context as follows:

1. To ascertain whether emotional intelligence has a significant influence on relationship marketing.
2. To consider how the longevity of a business is influenced by the emotions of its members when they are part of both organisations (family - business).
3. To determine the impact of emotional intelligence and relationship marketing on the long-term success of family businesses.

By addressing these research objectives this study contributes to the literature in several ways. Firstly, the setting is Mexico, which is an under-researched country in terms of family businesses, despite being a go to destination in the Americas region to procure a variety of products. Mexico's strategic location, trade agreements, manufacturing capabilities, cultural compatibility, and cost savings make it an attractive location for businesses looking to source goods and services. Particularly following the increasing tension between Russia, China and US (HSBC, 2022; Tristan, 2022) and the Covid-19 pandemic that hindered the long supply chains, Mexico's prominence as a significant procurement hub has improved. Second the study considers EI and RM together in the family business setting, in which the existing literature is quite limited. Thirdly, the use of a mixed-method approach provides insights that are harder to obtain by using a single research method.

LITERATURE REVIEW

As claimed by Phares and Chaplin (1997) and later endorsed by Pearson *et al.* (2014), within an organisational behaviour context; the ability to adapt and compete in different circumstances, the aptitude for education employing a wide range of symbols and abstract concepts define intelligence of its employees or at times in a broader context, the intelligence of its corporate culture. Moreover, linkages between work performance and intelligence have been advocated when complex tasks are associated (Gottfredson, 1997). Derived from the above, emergent trends have explored the nature of intelligence and the factors influencing it. Bradberry and Greaves (2009) indicated that individuals with high levels of intelligence were surpassed 70% of the time by individuals with an average level of intelligence and higher levels of intelligence surpassed 20% of the time average intelligence.

Emotional Intelligence

Differing from cognitive intelligence, Emotional Intelligence concentrates on understanding individual feelings and emotions and those of others (Nwukah and Ahiauzu, 2009). It also

involves self-motivation and effective management of emotions in oneself and relationships (Goleman, 2006).

In this study, Goleman’s (2006) framework, which was later reinforced by Bradberry and Greaves’s (2009) skills of Emotional Intelligence, have been considered. Their classification into personal (i.e. focused on their own individuality) and social (i.e. focused on interactions with others) competencies, as visualized in Table I, has been used as a starting point to build the emotional intelligence section of the study.

Table I. Emotional Intelligence Skills

Competencies	Emotional Intelligence Skills	
Personal	Self-Awareness	Self-Management
Social	Social Awareness	Relationship Management

Source: Authors own creation

Each facet of emotional intelligence can be defined as follows:

- **Self-Awareness (SA)** refers to the human ability to precisely identify their own emotions and understand their own behaviour regarding situations (Bradberry and Greaves, 2009).
- **Self-Management (SM)** is the ability to employ SA to maintain a flexible position and conduct behaviour in a positive way. It is concerned with the results of human actions as well as their absence (Bradberry and Greaves, 2009).
- **Social Awareness (SOA)** is the ability to recognise emotions in other individuals and the capacity to understand their real emotions (Bradberry and Greaves, 2009).
- **Relationship Management (RMA)** is the ability to employ the first three skills of EI, awareness of one’s own emotions and others to manage interactions successfully (Bradberry and Greaves, 2009).

On the other hand, considering Boyatzis’ (2009) EI competencies as the collection of capabilities that lead to the ability to identify, understand, and utilise self-emotional information; Social Intelligence competencies as the ones that use emotional information about others; and Cognitive Intelligence competencies as the ones regarding situations and information analysis, all

have a role in enhancing performance. Emotional, social, and cognitive intelligence competencies can help in anticipating effectiveness in professional, management and leadership roles in various occupations and professions (Hess and Bacigalupo 2011). Competencies described by Boyatzis (2008) are grouped following Goleman's (2006) skills of Emotional Intelligence in Table II (around here).

Table II: Dimensions of Emotional Intelligence and Associated Behavioural Competencies

Self Awareness	Self Management	Social Awareness	Relationship Management
Emotional self-awareness	Self-control	Empathy	Developing others
Accurate self-assessment	Trustworthiness	Service Orientation	Influence
	Conscientiousness	Organisational Awareness	Communication
	Adaptability		Conflict Management
	Achievement Drive		Leadership
	Initiative		Change catalyst
			Building bonds and teamwork
			Collaboration

Source: Authors own creation

An integrated concept of intelligence grouping emotional, social, and cognitive competencies according to Boyatzis (2008) can provide an accurate theoretical framework to explore and define human tendencies while structuring personality and relating to the theory of action and job performance. As discussed by Salovey and Mayer (1990) there are three conceptually related mental processes within EI:

- Recognition and expression of emotions (both individual and collectively).
- Adjustment of emotions (both individual and collectively).
- Employment of emotions (adaptively).

Carmeli (2003) points out that individuals with high EI are more often successful in the workplace than the ones with less EI. This highlights the importance of social skills in ascending through the hierarchy within an organisation for executive-level leaders. McCallin and Bamford's (2007) study in a nursing context indicates the influence of EI over group performance,

highlighting team effectiveness, and staff retention and service quality improvements through job satisfaction. However, individuals can differ in the way they experience, differentiate, and process their emotions depending on the amount of information they are being exposed to (Phares and Chaplin, 2007). This has clear impact on the organisational learning process through individuals, influencing work performance and work culture in the long run (Gilani and Waqar, 2013).

Considering the perspective of senior management inherent to this study, Carmeli (2003) implies that EI social competencies are useful for individuals while managing conflicting interest groups inside and outside the company. It enables them to recognise and moderate their emotions, avoiding negative ones that lead to dysfunction and nurturing positive ones that assist in advancing towards goal accomplishment (Salovey and Mayer, 1990). This phenomenon is potentiated when high levels of complexity are present, such as in the presence of family and business organisation's roles while developing professional tasks, which as being demanding can lead to high levels of stress. EI may be used as a tool to manage stress effectively, preventing negative effects on attitude for both the professional and personal domains (Carmeli, 2003).

Relationship Marketing (RM)

A considerable train of thought in marketing literature has been focused on long-term customer relationships and the creation and management of strategic alliances, rather than on individual transactions (Webster, 1992). Grönroos (1994) introduced relationship marketing as an approach where interactive exchanges take place, economic goals are achieved, objectives and agreements are fulfilled for the involved parties. Building, maintaining and enhancing relationships between parties usually lead to long-lasting benefits, such as profits (Grönroos, 1994; Gummesson and Grönroos, 2012). According to Lindgreen (2001), the objectives of RM consist of customer satisfaction, customer delight, positive customer experience, customer retention, and loyalty. RM's defining constructs are trust, commitment, cooperation, communication, shared values, conflict, power, non-opportunistic behaviour and interdependence.

The decision of whether to adopt a transactional or relational marketing orientation has been a concern for organisations (Yau et al., 2000). Lindgreen (2001) concluded that the best

approach always depends on the particularities of the business and the will and skills of its partners. On the other hand, Yau *et al.* (2000) claimed that an RM orientation is appropriate for every industry.

It can be argued that profitability could not be ensured just with retention. An emotional view of developing intelligence and management of relations may be required due to the dynamic human nature within the context of a better understanding of customer behaviour (Hess and Bacigalupo, 2011). The degree of importance in the given and received promises as Grönroos (1994) suggests, must be equal to develop long-term relationships (Hess and Bacigalupo, 2011).

In a separate vein, trust becomes a key element based on beliefs initially reinforced by behaviours (Grönroos, 1994). Hess and Bacigalupo (2011) advocate trustworthiness as an important characteristic in decision-makers for gaining moral authority, while trust is earned over time through a process of honesty and transparency in communications and relationships. This element of trust can be nurtured strategically through the optimum use of EI of the employees aimed to influence customer relationships.

Linking relationships with EI, Hess and Bacigalupo (2011) remark on the importance of openly admitting gaps in both SM and relationship management, as they contribute to solidifying emotionally intelligent individuals as well as their connections with others, enhanced through honesty and humility. In their research, Hess and Bacigalupo relate EI skills to decision-makers such as SA and SM; claiming that EI is required to visualise the way decisions will be interpreted and its consequent impact on others.

Emotions influencing the longevity of family businesses and organisations

Emotions experienced by individuals have a significant impact on people's current and future behaviour (Mellers *et al.*, 1999). Björnberg and Nicholson (2012) constructed emotional ownership as a bond between the individual and the organisation with a particular sense of belongingness beyond economic relevance, in which emotions are associated with the family as a central actor. The concept of emotional ownership was related to the involvement of the next generations to secure the survival of the company; controlling behaviours, structures and

strategies of families and their businesses (Lefebvre and Lefebvre, 2016). As propounded by Hess and Bacigalupo (2010) emotionally intelligent leaders in knowledge-based organisations seek to create environments where employees nurture their creative capabilities which are then utilized efficiently towards the goal attainment of the organisation. Gomez Betancourt *et al.*, (2014) indicated that family members' capability to manage their emotions influences the interpersonal dynamics in family firms at both group and individual levels.

Different perceptions of action and goal discrepancies among family generations, and deficient establishment of boundaries between both systems can present personal disagreements. Family members excluded from the business organisation play an important role in peace balancing (Davis and Harveston, 2001). Conflicts or addressing the issues of conflicts may result in positive exploration of the strategic capabilities of family-owned firms and their dynamic corporate culture (Reay, 2009).

Filser *et al.* (2013) argue that uncommon emotions may accompany the succession process in a family business and can impact it. Knowledge created in the family business can lead to positive transcendence in areas such as management and help diminish succession problems (Pérez and Basco, 2011, Pearson *et al.*, 2016). Work-family conflict arises when combining work and family roles, due to time constraints, role pressure and varying responsibilities, making the roles incompatible within each organisation (Carmeli, 2003). Pérez and Basco's (2011) approach considers the holistic requirements of both systems to achieve balance, where no system is disadvantaged and the organisational behaviour within the family company aligns with the parameters of the cognitive legitimacy approach.

From another perspective, Boyatzis and Soler's (2012) research on the role of emotional and social intelligence on the performance of a family business concluded that creating a shared vision among stakeholders (family, organization and community) and using emotional contagion could potentially increase success. The researchers observed the crucial role these competencies played whilst developing and executing the strategy of a wine family business leading to direct positive impacts on long-term success. The findings suggest that awareness of EI can help

consolidate relationships within family members and generate strong and trustworthy politics for both internal and external stakeholders.

Emotional Intelligence and Relationship Marketing for long-term success

As noted by Dulewicz, and Higgs (2000), Das (2009) and Boyatzis (2009), studies examining the impact of EI and RM on success and performance in the organisational context, as well as their practical implications in developing economies are relatively scarce. However, a relevant study by Nwokah and Ahiauzu (2009) in Nigeria on the impact of EI on marketing effectiveness (i.e. consumer philosophy, integrated marketing efforts, marketing information, strategic orientation and operations efficiency) of organisations, validated a strong relationship between these concepts also the causality of EI over marketing effectiveness. Hess and Bacigalupo (2010) suggested the creation of a network of emotionally intelligent managers and supervisors who through their behaviour, would foster a knowledge-based work environment that nurtures EI. This EI network could also be applied in a family context where dialogue could be promoted to develop shared objectives.

As a method for internal dialogue and continuous cultural and organisational development, EI may be utilised as a balancing mechanism between goals to benefit the customer, with a promoted group dynamism originating in individual behaviour (Hess and Bacigalupo, 2010). Moreover, as discussed by Cherniss *et al.* (2001), there are emotionally intelligent groups and individuals, which develop commitment, and creativity and also increase cooperation that conduces to effectiveness.

Not surprisingly, evidence from studies in emerging countries such as Vietnam (Kim, 2020) as well as in developed countries such as Spain (Cuellar Molina *et al.*, 2020) has supported the significant impact of managers' EI on firm performance. Considering the study objectives and the literature reviewed, the following are hypothesized:

H1: There is a positive relationship between EI and RM, where higher levels of EI have a positive impact on RM.

H2: Emotions of an individual can influence the longevity of a business significantly.

H3: Increasing EI in members of a family business (i.e. employers or owners) can strengthen and foster RM securing the long-term success of the business.

METHODOLOGY

The overall philosophy of the study relies on ontological pragmatism position which endows of flexibility this social research involving both organisations: family and business. The ontology whilst occupied with the nature of social entities (realities), is characterised by having as many views as there are multiple realities that could exist (Bryman, 2012). This compliments the focus of this study which introspects the perspectives of business's owners (i.e. employers') as well as their roles as family members. Two different views and realities shaped by the social actors examined are within the scope of the study. The study adopts an iterative strategy combining deductive and inductive logic (Bryman, 2012), constructing the findings through a process of back and forth between collected data and existing theory. A sequential explanatory mixed-method research approach was used in the study, starting with quantitative and finalizing with qualitative methods (Ivankova *et al.*, 2006). The data collection method included collecting data from a larger sample via a quantitative study, then exploring its results via a qualitative study to arrive at deeper insights. This flexible design involving qualitative and quantitative methods and exploring both organisations (i.e. family and business) helps to better achieve the research objectives. The sequence helps explaining and elaborating on the data collected previously through quantitative surveys, thereby the qualitative stage builds on the quantitative research (Ivankova *et al.*, 2006); and both connecting with each other in the last stage of the study.

Measurement and data collection

Two instruments were employed for data collection: a cross-sectional questionnaire for the quantitative phase, and a semi-structured interview for the qualitative one. The questionnaire was based on studies by Nwokah and Ahiauzu (2009) and Ngah *et al.* (2009). Purposive and snowball sampling was used for the first (quantitative) study. Data collection began with a small group of relevant participants who afterwards introduced the research to others, and the sample

size expanded accordingly (Bryman, 2012). Items related to key variables were measured using five-point Likert Scales (1: totally disagree to 5: totally agree). The questionnaire was formalised during the research phase. As the instrument was going to be launched in Mexico for data collection, it has been translated into the Spanish; to diminish misinterpretations derived from language issues and to promote confidence and openness of the participants (Saunders, *et al.*, 2012). Questions in the attitudinal dimension were tailored to identify the preferences and perceptions of the respondents, while those in the behavioural dimension addressed the respondents' past experiences. The questions used in the survey study are provided in the Appendix.

Purposive sampling was used in the second stage of the research to conduct the qualitative study. The researcher invited potential participants, members of family businesses in Mexico from various industries known to the researcher, to participate in the study. The first phase of the sampling plan included a group of seven owners/employers of family businesses, who introduced the researcher to their relatives working within their companies. In this study, which is grounded in theory generated from data collected from participants who have experienced the process (Crewell, 2013), categories and their characteristics are discovered, while interrelationships among them propose theory (Bryman, 2012, Charmaz, 2006). The sample for qualitative research was chosen by evaluating the participants' potential to contribute to address the last two objectives of this study and assessing their theoretical contribution relevant to the study. From the seven potential participants, three were selected taking into account the above-mentioned criteria.

DATA ANALYSIS AND FINDINGS

Quantitative study

The web survey remained open for three weeks, and 41 questionnaires were fully answered and deemed usable. Based on the socio-demographic information provided in Table III, the sample included respondents from a variety of industries.

Table III. Sample characteristics

Demographic	Category	Percentage	Notes
Age	18-29	39.02%	
	30-49	43.9%	
	50-65	17.07%	
	66+	0%	
Gender	Female	53.7%	
	Male	46.3%	
Education	Masters and above	17.1%	
	Bachelors degree	70.7%	
	Highschool	9.8%	
	Primary	2.4%	
Job Roles	General Management,	17.1%	
	Operations/manufacturing	17.1%	
	Customer Service	17.1%	
	Human Resources	14.6%	
	Finance	9.7%	
	Marketing	9.7%	
	Audit & Control	7.3%	
	Purchasing	4.9%	
	IT/IS	2.40%	
	Company Information		
Company Size	0-10 Employees	22.0%	Small*
	11-30 Employees	14.6%	Small
	31-50 Employees	22.0%	Medium
	51-100	9.7%	Medium
	101-250	2.4%	Medium
	250+	29.3%	Large
Industry	Construction	12.2%	
	Manufacturing	21.95%	
	Restaurant	19.51%	
	Retail Trade	17.1%	
	Transport	2.4%	
	Other	26.8%	

Note: * according to Mexican regulations considering the number of employees.

Source: Authors own creation

Regarding the first research objective, the data were analysed to investigate the possible relationship between the two variables, EI and RM. To test the hypothesis (H1), a bivariate Pearson’s correlation analysis was conducted to determine the strength of the correlation between the variables and their constituting elements (Field, 2013; Mayers, 2013). The analysis was executed in IBM SPSS Statistics 21 software.

Correlations were calculated to assess the relationships between EI and RM, RM and EI, individual and social competencies, RM and the four elements of EI, and EI against the four elements of RM. The results are presented in Table IV.

Table IV. Correlations Source: Authors own creation

Pearson Correlations	RM	Loyalty	Customer Satisfaction	Customer Retention	Customer Relationship
RM	-				
EI	0.510**	0.236 (NS)	0.374*	0.556**	0.319*
EI Social	0.593**				
EI Individual	0.295 (NS)				
Self-Management	0.309*				
Social Awareness	0.409**				
Relationship management	0.658**				

* significant at 0.05 level, ** significant at 0.01 level, *** significant at 0.001 level, NS: Non-significant

The statistical analysis shows that the relationship between the two main variables (RM and EI) is statistically significant (.000), positive and strong (.510) (Field, 2013), thus confirming H1. The relationship between the individual competencies of EI and the RM category is positive, yet weak (0.295) and significant only at a 10% significance level. This could be attributed to the inherent individual nature of both competencies. SA and SM skills are innate to the person without focusing on others, which affects relationships (Goleman, 2006; Bradberry and Greaves, 2009).

On the other hand, the relationship between EI’s social competence and RM, is positive, strong (.593) and statistically significant (.000), indicating that individuals who are more emotionally intelligent in terms of social skills are better at RM, which also confirms H1. When

examining the correlations between RM and the four variables of EI, all correlations are positive and strong. However, the relationships with the social competencies SOA (.409) and RMA (.658) are stronger than the relationships between RM and the individual competencies SA (.168) and SM (.309).

The strongest relationship is between RMA and RM (.658), which confirms H1 and suggests that EI has a positive impact on RM. On the other hand, the least significant correlation is between RM and SA (.065) followed by RM and SM (.050), RM and SOA (.008).

By linking the reviewed literature and building on Bradberry and Greaves's (2009) research, which suggests that success can be achieved by improving EI, the present study also examines the impact of EI skills on RM. Specifically, correlations were run to contrast EI as a category with the elements of RM. The strongest relationship was found between EI and Customer Retention (.556) followed by EI and Customer Satisfaction (.374), and EI and Customer Relationship (.319) as shown in Table IV.

Qualitative study

To achieve the second and third objectives, three semi-structured interviews with business owners and family members were conducted to gather their perspectives. Each interview lasted between 45-60 minutes and was recorded for transcription and analysis. The interviewees' profile (e.g. position, job functions, gender and years working in the company) as well as the company information (e.g. industry, size, operation years, family generations and family members involved), and the interview details were compiled on designed General Framework Datasheets, a summary of which is presented in Table V.

Table V. Participant profiles

COMPANY Characteristics						INTERVIEWEE Characteristics			
	Industry	Years Oper.	Family Generation	Family Members	Size	Position	Functions	Work Years	Gender
A	Manufacturing	10	2	6	M	Junior Management	Human Resources	4	Fem.
B	Technology	3	3	7	M	Senior Management	Marketing	3	Fem.
C	Restaurant	6.5	2	4	S	Senior Management	Management	3.5	Male

Source: Authors own creation

The qualitative data obtained via the interviews was analysed in Nvivo 10. Grounded theory approach from Bryman (2012) was used to structure the analysis as illustrated in Figure 3.

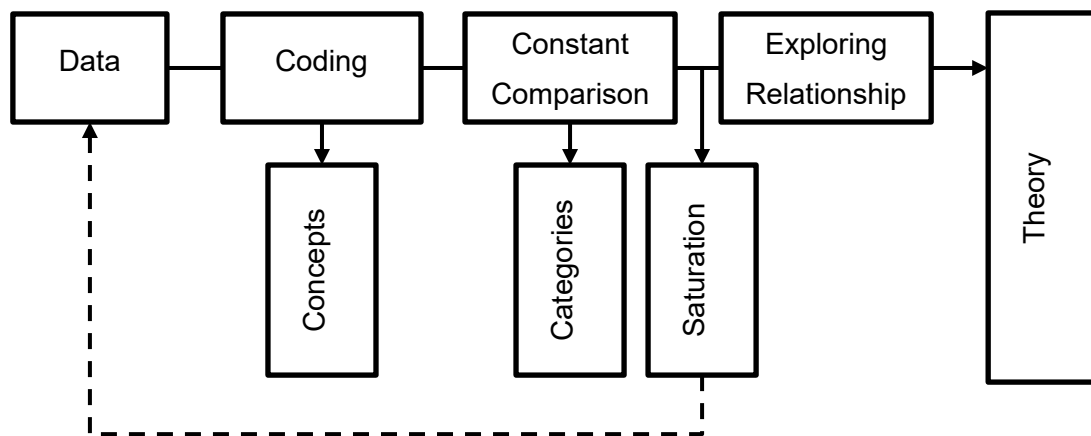


Figure 3. Grounded Theory Process Source: Authors own creation based on Bryman (2012)

The three transcripts of the interviews and the summary of the web surveys were imported to Nvivo 10 as internal sources. During the coding process, nodes and sub-nodes (a compilation of references about a specific topic) were created related to the concepts outlined in research objectives 2 and 3, and then the documents were reviewed and coded. A summary of the coding, including the number of sources (interviews + questionnaire summary) as well as the references

related to each node is presented in Figure 4. Figure 5 illustrates a comparison of the frequency of the nodes.

Name	Sources	References	Created On
Internal relationships	3	13	03/01/2014 09:39 a.m.
Company performance	4	11	03/01/2014 07:38 p.m.
Relationship Marketing	4	24	03/01/2014 12:31 a.m.
Loyalty	4	12	03/01/2014 12:31 a.m.
Relationship with the customer	3	10	03/01/2014 12:32 a.m.
Customer Retention	4	7	03/01/2014 12:31 a.m.
Customer Satisfaction	4	11	03/01/2014 07:21 p.m.
Members Emotions	2	11	03/01/2014 07:05 p.m.
Family conflicts	3	8	03/01/2014 07:54 p.m.
Longevity	3	15	03/01/2014 12:32 a.m.
Emotional Intelligence	4	57	03/01/2014 12:27 a.m.
Self-Awareness	4	8	03/01/2014 12:27 a.m.
Self-Management	4	15	03/01/2014 12:28 a.m.
Relationship Management	4	29	03/01/2014 12:31 a.m.
Social-Awareness	4	31	03/01/2014 12:30 a.m.

Figure 4. Nodes, sources and references Source: Authors own creation via Nvivo



Figure 5. Node comparison by the number of items coded. Source: Authors own creation via

Nvivo

In addressing objectives two and three, we examined the data under the node 'Family conflicts' and found that all three interviewees expressed conflicts related to emotions and family-business roles.

I-A: *'Once my uncle was angry with my dad regarding brothers' issues and my uncle was no longer committed to his work, after two months they discussed their differences and just after that he resumed his commitment, but it was a period where we lived a tense atmosphere in the company and sales were down because my uncle was not committed to find new customers and maintain the existent'.*

I-B: *'From the professional view, it is difficult to maintain a relationship because even when you try to separate the roles of family and business [...] when having a complication in the work area ambivalence is generated'.*

I-C: *'The disadvantage is that somehow the relationship does not end at the eight work hours and when you see them you are still talking about the problems and work [...] when you start working with your family is a little difficult because scolding starts due to the different points of view'.*

Taking into consideration Trevinyo-Rodríguez and Bontis's (2010) research on family ties and negative emotions, the situation described by I-A reinforces their theory, which demonstrates that negative emotions can lead to individual behaviour that negatively affects the overall performance of the company. If such situations persist, they could have a long-term impact on the firm's success and performance.

Upon analysing the nodes of 'Internal Relationships' and 'Company Performance', it has been found that separating family-related emotions from work-related ones has resulted in a positive impact on the firm's success. Additionally, we also observed that EI regarding SA and SM plays an important role in demarcating and separating family and professional roles while conducting business activities.

I-A: 'At the beginning when I started working in the family business it was difficult because my dad was scolding...and sometimes he still does it, he wanted to keep his role as father in the company and my uncles supported my father so professional work and relationship become complicated'.

I-B: 'What has worked for us to maintain the company operating successfully regarding emotions has been to see us just the necessary for the job issues and once we are out of the office every one to his house [...]

I-C: 'What has worked for us is to delegate activities and that the one who is responsible will assume the consequences of the result. Talking about work during the weekend is totally removed from the conversation and we avoid the greater possible matters related to the company.'

I-A: 'Well, I think that the feelings you have will be reflected in the quality of your work and how you perform. I think the first thing that has worked for us regarding managing emotions has been to leave the relationship or family problems aside and outside the company while we are at work, since what happened with my uncle that has been very beneficial.'

I-B: 'Fostering a friendship with certain suppliers and certain customers opens the door to have better products and to be easier when you want to sell your products.'

I-B: 'If you have a good quality relationship with your customer and supplier, long-term success is guaranteed because then your final consumer is going to consider you a reliable supplier and will buy from you again, so you generate loyalty with your customer and your distributor.'

Upon reflecting on the interview fragments provided above, we noted that emotions can also impact the quality of work performance, making it vital to manage relationships internally(I-A). According to Koubova and Buchko (2013) and McCallin and Bamford (2007), family members adopting client roles in the internal environment should also be treated from an EI approach Having an emotionally intelligent RM inside the company is crucial, not just for external stakeholders.

I-B also emphasized the importance of maintaining ‘good quality’ relationships with customers and suppliers to ensure long-term success for the business. This then leads to a positive corporate image and contributes to the firm's reputation (Gilani, 2011).

To complement the analysis, a framework matrix was executed in Nvivo 10. The high number of references included in EI and RM nodes (n=16), illustrated a strong relationship between EI and RM, reinforcing the findings of the quantitative analysis.

DISCUSSION

The research explored various dimensions of employee behavior within a family business context and identified several factors of emotional intelligence that impact cognitive organizational behavior through relationship marketing dynamics.

The findings establish a strong relationship between EI and RM indicators. Both individual and social competencies exert a positive influence on RM indicators, with social competencies showing a stronger relationship with RM than individual competencies. The strong relationship between emotional intelligence and relationship marketing implies that emotional intelligence skills can be leveraged to improve relationship marketing efforts. This has important practical implications for businesses, as it suggests that training employees in emotional intelligence could lead to better relationship marketing outcomes, such as higher customer retention and satisfaction.

The study also found that emotions can generate blockages that affect business performance, particularly when family and business emotions are mixed. The separation of roles is crucial for the success of family companies, and emotional problems should be addressed promptly to avoid disrupting longevity and success in the long term.

Moreover, the findings suggest that EI exerts a significant influence on business performance. One of the main internal problems of a family business is the difficulty in surviving through the next generations. This problem is caused by factors such as managing emotions and relationships within the family and business. Considering that the culture in Mexico is much more indulgent than other developing economies such as India and China (see Figure 2), the extent to

which people try to control their desires and impulses is very weak (The Hofstede Center, 2023). This relatively weak impulse control may be creating challenges for family members to regulate their emotions in the work environment.

EI is considered a crucial determinant of job performance in the context of organizational learning and behavior. This study also revealed the positive impact of relationship marketing amongst the employees of family businesses and its complications stemming from family ties and conflicts. An overarching factor throughout the study was the alignment family business's corporate vision, as perceived by the employees at different levels of the firm. Effective intercommunication activities, monitored and nurtured by the firm's internal culture and led by an emotionally aware and intelligent leader, pave way for positive employee relationships and result in long-term business success.

The corporate culture, individual learning behaviours, and group dynamics of employees in a family business are closely influenced by the interpersonal relationships of employees at different levels of the family organization. Therefore, it is clear that managing employee interpersonal relationships, motivational levels and team dynamics would have a positive impact on team and business performance. It is therefore crucial that leaders of family businesses have adequate knowledge of the relevant factors to improve and influence their employees' EI (Andries, 2009). Existing literature indicates that EI is positively related to employee behavior, attitude, teamwork, customer satisfaction, and job performance (Mellers *et al.*, 1999; Björnberg and Nicholson, 2012).

Results showed that the social competencies of EI (SOA and RMA) impact directly the company's RM indicators, both internal and external. Findings imply that the social competencies of EI gain importance in balancing emotions and maintaining relationships with both customers and suppliers to secure long-term success in organizations. This emerges as an important mechanism that may counterbalance the high indulgence observed in Mexican culture (The Hofstede Center, 2023).

The quantitative analysis revealed that the social competencies of EI had a major impact on RM, while qualitative analysis found that the individual competencies of EI were important in managing one's own emotions to perform optimally in both roles.

Additionally, RM is not limited to external stakeholders as the biggest conflicts related to emotions in a family business are often internal involving family members. Therefore, RM is crucial as an internal mechanism to reduce conflicts and promote a positive environment for success and longevity. In conclusion, improving both individual and social competencies of EI (can enhance individual performance in family businesses, positively impacting both internal and external RM and contributing to longevity).

CONCLUSION

The present study aims to promote the longevity of family businesses by discussing emotional intelligence as a means of building and strengthening relationships with all stakeholders. Previous research on EI has primarily focused on the UK, USA and China (Das, 2009), and this study helps to fill a gap in the literature between EI and RM in a different geographical and cultural settings – Mexico. The study's findings may also have broader implications for the larger Latin American context.

The findings suggest that emotional intelligence skills can be leveraged to improve relationship marketing outcomes. The results of this research also suggest that family business members should strive to improve their EI skills, with social competencies being particularly crucial for long-term success. These competencies can contribute to ensuring customer satisfaction, loyalty and retention. Additionally individual competencies can help family members maintain appropriate emotional boundaries between their family and business roles, thus promoting success in the workplace, and preventing failure due to internal family conflicts. By fostering a positive environment, family organizations can build long-lasting organisations.

Despite the stated implications, this study has several limitations. The sample size for both qualitative and quantitative studies was limited due to access issues as well as the nature of

family business dynamics. Considering that this study used a sample from Mexico, findings may differ in other contexts, therefore results cannot be generalised. Further research with larger sample sizes may develop upon the current findings and offer more generalizable results. Moreover, different concepts related to RM, such as trust, commitment or quality of relationships can also be influenced by EI, and those elements might also be investigated as a future research avenue. Further studies in similar cultural context in South America may help in arriving at deeper insights into the family business dynamics in the region by offering further empirical evidence.

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APPENDIX: Survey Questions

1. I am able to recognise my emotions
2. I am aware of situations that cause me to think negatively
3. I am able to deal with criticism or challenges
4. I often regret having said something while angry
5. I am aware when others are upset
6. I cannot detect others' feelings easily
7. I can communicate clearly and effectively
8. I like to get to know others in order to get along better with them
9. Good relationships with customers increase customers' loyalty
10. When I communicate effectively the customer is satisfied
11. I have never lost control when I have been angry
12. I have not noticed the reason why my emotions change
13. I have acted accurately when I have faced tough decisions including staff issues
14. I felt annoyed last time I knew I was right and the customer did not believe me
15. I have listened to others' views and opinions before making a decision
16. I have sensed when an employee is struggling and I have helped him/her
17. I have handled conflicts at work effectively
18. I have given feedback effectively and with sensitivity
19. I have detected that when I have given a good service, a customer has come back to purchase
20. I have seen that good relationships with customers bring positive results to business profit