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New Venture and Family Business Teams: Understanding Team Formation, Composition, Behaviors, and Performance

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New ventures are frequently started by entrepreneurial teams rather than lone entrepreneurs. Often, team members have family ties. Yet, there has been relatively little research on new venture and family business teams. The papers in this special issue address this gap by studying team formation and composition, faultlines among team members, generational involvement in teams, the influence of shared organizational experience and functional homogeneity, and the likelihood of couples, biologically related, and unrelated teams achieving first sales. Combined, they suggest that relationships are more important than skill diversity in determining the effectiveness of both family business and new venture teams.

Although there is a well-developed management literature on organization behavior and human resources, these topics have not received comparable attention in the entrepreneurship literature (Katz, Aldrich, Welbourne, & Williams, 2000; Tansky & Heneman, 2003). Research suggests that entrepreneurs behave differently than managers in large, established firms (Schjoedt & Shaver, 2007), and employees and managers in entrepreneurial organizations exhibit different behavioral dynamics as well (Monsen & Boss, 2009). Importantly, behavioral theories meant to apply to established organizations do not always transfer well to entrepreneurial firms (cf. Bygrave, 1993; Dess, Lumpkin, & McGee, 1999; Dew, Read, Sarasvathy, & Wiltbank, 2008; Sharma & Chrisman, 1999; Zahra, 2007). However, research is only starting to come to grips with the types and extent

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of these potential differences (Moroz & Hindle, 2012; Morris, Kuratko, Schindehutte, & Spivack, 2012). The same is true for family businesses, where the agency costs from adverse selection and moral hazard suggest there is a need for studies that contribute to a better understanding of the composition and compensation of management teams, their behavioral dynamics, and the performance consequences of different approaches (e.g., Barnett & Kellermanns, 2006; Chua, Chrisman, & Bergiel, 2009).

In the process of preparing this special issue of *Entrepreneurship Theory and Practice*, one theme emerged as common among the five selected articles: the fundamental importance of teams. This is not surprising, as entrepreneurial teams start most new ventures (Gartner, Shaver, Gatewood, & Katz, 1994; Kamm, Shuman, Seeger, & Nurick, 1990; West, 2007). Nonetheless, relative to their importance, there are still considerable gaps in our knowledge about the dynamics of new venture and family business teams. How new venture and family business teams are formed, the basis for the decisions on who should be involved, the nature of the interactions of team members, what the implications are for ventures with one type of team rather than another, and other questions regarding the behavior and performance of venture teams have only begun to be investigated in the past decade (see, for example, Ucbasaran, Lockett, Wright, & Westhead, 2003). Furthermore, much more work has been done on teams composed of unrelated individuals than teams composed of family members even though the evidence suggests that the latter rather than the former are more common (e.g., Chua, Chrisman, & Chang, 2004; Ruef, Aldrich, & Carter, 2003). The prevalence of family-based management teams may suggest that the family form of organization possesses critical advantages in terms of access to resources, resilience to obstacles of both an economic and psychological nature, or simply that human beings prefer to engage in entrepreneurship with people that they know, trust, and love more than with people they know less well, regardless of the skills and abilities the two groups bring to the table. Unfortunately, not enough work has been done to draw definitive conclusions regarding how these new venture teams form, function, grow, and evolve over time.

The five articles that follow this introduction attempt to fill some of the knowledge gaps that exist with regard to the formation, composition, behavior, and performance of new venture and family business teams engaged in entrepreneurial initiatives. The articles build upon established research frameworks (e.g., Pearson, Carr, & Shaw, 2008) and contribute to the development of new and more robust frameworks that work in the extreme and special cases of entrepreneurial, family, and small organizations.

The dual purpose of this introductory article is to discuss the articles contained in this issue and to attempt to integrate their contributions in order to advance knowledge concerning new venture teams in family and nonfamily ventures. In keeping with this dual purpose, the following sections provide a brief overview of the topic area, discuss and integrate the contributions of the articles in the issue, and draw inferences that might be valuable as guides for future research.

Entrepreneurial Teams: An Overview

Despite the popular legend of the heroic lone entrepreneur, the creation and management of new ventures is often a shared, team effort (Kamm et al., 1990; Gartner et al., 1994; West, 2007). Confronted with the simultaneous challenges of creating a firm that is unique and learning to manage in an unknown arena, new venture teams face what Stinchcombe (1965) describes as the liabilities of newness, which involve the difficulties of establishing market legitimacy in the face of time and financial pressures for survival.

The distinctive nature and magnitude of the problems facing new ventures suggest they must be managed differently than established firms (Baron, 2002; Ensley, Pearson, & Amason, 2002; Schjoedt & Shaver, 2007) and that team involvement is often necessary for success. Thus, the formation, composition, and functioning of entrepreneurial teams can have a profound influence on the survival and growth of a firm. Furthermore, as such teams influence the founding conditions, behaviors, and practices that define the new venture, their initial decisions are likely to leave an enduring imprint on the venture's subsequent development (Beckman & Burton, 2008). The same can be said for teams in a family business setting. Such teams face unique challenges as well, because overlaid upon all of the problems normally facing entrepreneurial and/or management teams in nonfamily firms are the family relationships among team members that add materially to the complexity of the decisions made about the business (Mitchell, Morse, & Sharma, 2003).

Organizational teams have been studied extensively in the management literature (Mathieu, Maynard, Rapp, & Gilson, 2008; Stewart, 2010), and important work on teams in the unique contexts of family firms and new ventures has been done. Such work of the latter type has dealt with top management teams and behavioral dynamics (e.g., Ensley & Pearson, 2005; Ensley et al., 2002; West, 2007), team composition (Knockaert, Ucbasaran, Wright, & Clarysse, 2011; Ucbasaran et al., 2003; Zimmerman, 2008), compensation (Ensley, Pearson, & Sardeshmukh, 2007; Monsen, Patzelt, & Saxton, 2010), and performance (Beckman, Burton, & O'Reilly, 2007; Francis & Sandberg, 2000; Hmieleski & Ensley, 2007; Schjoedt & Kraus, 2009). However, there is still much we do not know, and there has been a lack of concerted effort to develop a theory that applies to the specific circumstances and contingencies facing entrepreneurial or family business teams. A notable exception is Harper's (2008) work, but his preliminary theory of entrepreneurial teams takes an economic rather than a behavioral perspective, which is the focus of this special issue.

The development and application of a behavioral theory of entrepreneurial teams is dependent upon, among other things, a clear definition, common language, and system of classification. Some scholars use *ad hoc* definitions, while others neglect to define the concept at all (Birley & Stockley, 2000). Indeed, the term "team" has multiple meanings in the academic and popular press (cf. Hambrick, 1994, and Hambrick, 2007), and the proliferation of terminology is evident by the references to new venture teams, family entrepreneurial teams, core teams, top management teams, and, entrepreneurial teams found in the literature and even this special issue.

Extant definitions of groups and teams have similarities but also meaningful differences (Mathieu et al., 2008). For example, Katzenbach and Smith (1993), Kamm and Nurick (1993), Cooper and Daily (1997), Cohen and Bailey (1997), and Cooney (2005) generally agree that while both teams and groups involve a relatively small number of people, teams are composed of members with identifiable features that set them apart such as interdependent skill sets, common goals, shared commitment, and mutual accountability. Unfortunately, if we defined and identified entrepreneurial or family business teams based on all of these characteristics, we would not have many teams to study. Aside from the criterion of small numbers, there are few characteristics common to all such teams. Teams can, and often do, differ in terms of the relationships, functional heterogeneity, and demographic diversity of their members (Mathieu et al., 2008).

Indeed, given the diversity of entrepreneurial or family firm teams and the numerous problems they deal with, we suggest that any definition that goes beyond the number of members and their common but possibly unequal concern for a small set of superordinate goals, which are themselves subject to negotiation, is really seeking to distinguish *effective* teams rather than teams. Although superordinate goals pertaining to the survival, growth, and ultimate success of a venture or family firm are held more *or less* in common by team members, the likelihood of differences in both individual and proximal goals for the organization is very large (e.g., Cyert & March, 1963). Differences in goals also imply differences in preferred strategies and variations in the extent of shared commitment. Furthermore, relationship conflicts can also develop both because of differences in goals and strategies and because of the diverse backgrounds, experiences, and personalities of team members that underlie the differences in their goals. Similarly, information asymmetries and the unobservability of intentions and certain behaviors suggest that mutual accountability will not preclude opportunism, even in family firms (Schulze, Lubatkin, Dino, & Buchholtz, 2001).

Therefore teams, whether of the new venture or family firm variety, are really groups of individuals who attempt to work together to achieve a set of imperfectly overlapping and negotiated superordinate organizational goals, potentially for different reasons and often in spite of conflicts emerging from their backgrounds, personalities, and individual motives. In this respect, new ventures and family firms are two contexts in which teams function, and both contexts lead to a unique set of challenges owing to the nature of the problem, the composition of the team, and the behavioral dynamics that influence the process and content of team decisions. Interestingly, the articles in this special issue suggest that while the challenges may vary, the primary ingredient in effective team functioning, the relationships among team members, is consistent across different types of teams. Thus, it appears plausible that a behavioral theory of management teams for new ventures and family firms may be built on a common foundation. With this in mind, we now turn to the research in this special issue.

Entrepreneurial Teams: The Articles in the Special Issue

We accepted five articles for publication in this special issue, following a double-blind review process. Each of the articles deals with the complex dynamics of entrepreneurial teams in family businesses and new ventures. The topics include (1) the formation and membership of family entrepreneurial teams; (2) the factors that influence new venture team faultlines and their relationship with opportunity identification; (3) the influence of generational involvement on the entrepreneurial orientation of top management teams in family firms; (4) how the shared organizational experience and functional diversity of new venture teams impact human resource values; and (5) the relative ability of teams composed of couples, biologically related family members, and unrelated individuals to achieve first sales in a new venture setting.

Family Entrepreneurial Team Composition

Studies of entrepreneurial teams often distinguish between the importance of team members' skill composition and the importance of the relationships among team members. Although recruiting team members with dual skill sets in both task-related and relationship-oriented areas is obviously desirable and sometimes possible (Forbes, Borchert, Zellmer-Bruhn, & Sapienza, 2006), it is often the case that one or the other will dominate the decisions of entrepreneurs with regard to team composition. Understanding the advantages and disadvantages of teams that are formed on the basis of skills and those that are formed on the basis of relationships is particularly important in a family firm context because relationships tend to rule decision making, and the contrasts between the skills of would-be team members who are related and unrelated to the lead entrepreneur or owner–manager may be stark. However, aside from a few studies (e.g., Ensley & Pearson, 2005; Ucbasaran et al., 2003), little work has been done regarding the composition of family entrepreneurial teams and even less concentrates on family firms outside of the United States or Western Europe.

In response, Cruz, Howorth, and Hamilton (2013, this issue) report the results of a qualitative study of seven family entrepreneurial teams in Honduras, designed to investigate the factors that influence team formation and membership. The authors move beyond the frequent and often short-sighted assumption that families are always preoccupied with a single business and that the family legacy is tied to the ability of incumbents to pass on the ownership and management of that business to successors. Instead, Cruz et al. investigate families involved in a portfolio of (usually related) businesses, which is referred to as business groups in the economic sociology literature (Granovetter, 1994). They find that in such families, team formation is frequently predicated on the realization that the senior generation does not wish to exit, and/or the junior generation has ambitions that transcend the family's traditional business. As such, the next generation creates somewhat of a self-developed succession plan by striking out on their own and forming an additional unique new venture. According to the authors, what prompts the formation of family entrepreneurial teams in such situations is a shared vision of how entrepreneurship can lead to better stewardship of the family's wealth and well-being.

Although such teams tend to coalesce on a desire to maximize the welfare of the family, this does not explain how specific opportunities are pursued or how membership in the team is determined. In the former case, opportunities are explored by subgroups, whose composition tends to be a function of individual interests. Interestingly, individual skills and resources are primarily used to define the roles of members in already constituted teams or subgroups rather than as a basis for membership in those teams or subgroups. On the other hand, membership tends to be based on perceived compatibilities of values, attitudes toward work and risk, trust in the ability and integrity of potential members, and blood relationships. Thus, in the entrepreneurial teams the authors examined, in-laws and nonfamily managers need not apply.

Cruz et al.'s (2013) findings are interesting and highly suggestive. In the family entrepreneurial teams studied, the two most important factors determining membership appeared to be blood relationships and goal congruence. Thus, in comparison to the work of Lim, Busenitz, and Chidambaram (2013, this issue), when family teams are formed on this basis, faultlines between subgroups of members are likely to be weak or nonexistent, giving family entrepreneurial teams advantages over other kinds of entrepreneurial teams. On the other hand, the potential lack of skill breadth in family entrepreneurial teams may create corresponding disadvantages. How teams with stronger relationships and narrower skill sets perform compared to teams with weaker relationships and broader and presumably stronger skills is a question that still has not been satisfactorily addressed. As Stewart and Hitt (2012) note, the literature is equivocal on how family involvement affects the performance of small and entrepreneurial firms. However, direct comparisons of performance or even team composition may be overly simplistic since, as many studies seem to suggest, family and nonfamily firms have substantially different goals (Chrisman, Chua, Pearson, & Barnett, 2012). For example, family firms may prefer to minimize risk and therefore take pains to reduce relationship conflict, which is perhaps the greatest threat to team cohesion. On the other hand, nonfamily firms are thought to give preference to maximizing returns. In this respect, task conflict, engendered by heterogeneous skills among team members, is thought to be beneficial if not taken to extremes. Consequently, our understanding of the composition and effectiveness of entrepreneurial teams may be improved if they are examined in light of the goals of the lead entrepreneur, owner, or dominant coalition of the firm (e.g., Chua, Chrisman, & Sharma, 1999) as these are likely to influence and be influenced by relationships and team skills.

Team Faultlines and Opportunity Identification

The conceptual article by Lim et al. (2013) reminds us that entrepreneurial teams are not necessarily homogeneous in terms of their goals and preferred strategies, nor are they immune to dysfunctional conflict that can inhibit the smooth development of the venture. Indeed, Lim et al. point out that often, teams devolve into subgroups of individuals who share a common background or orientation or set of demographic attributes that differ from those of other subgroups in the team. The divisions have come to be known in the literature as faultlines (Thatcher & Patel, 2012). Lim et al. apply the faultline concept to the sources and consequences of dissension among idea-conceiving founders and equity-based partners or investors.

Lim et al. (2013) propose that differences in the structure of the venture including the distribution of equity, the power to change the composition of the team, and the preexisting ties among the founders and investors can affect the strength of the faultlines between the two groups. Similarly, those authors argue that the extent to which founders and investors possess similar mental models with regard to the venture will also influence faultline strength. The authors go on to suggest that faultlines will influence the interactions among founders and investors in three ways: by affecting the extent of relationship conflict, task conflict, and knowledge exchange that occurs among the disparate groups. Finally, Lim et al. argue that relationship conflict, task conflict, and knowledge exchange will influence the quality of the opportunities identified by the venture, in effect acting as mediators in the relationship between faultline strength and opportunity identification.

Lim et al.'s (2013) model deserves to be tested but it is also worth noting that at least the premises of their work apply to other situations. For example, as noted by Brannon, Wiklund, and Haynie (2013, this issue), family teams are very prevalent, and although their study tended to focus on situations where teams were largely limited to two members, the related work by Cruz et al. (2013) and Sciascia, Mazzola, and Chirico (2013, this issue) suggest that family teams can be much larger and more diverse and therefore prone to suffer from faultlines between different coalitions of individuals on the top management team or board of directors. For example, family teams that include in-laws, nonfamily members, different generations, or family members with dissimilar levels of commitment may develop faultlines, whereas family teams based solely on blood and shared values may not (Cruz et al.). This raises the question of whether Lim et al.'s model can be effectively applied to other team situations in its particulars and whether or not a wide variety of different structural and/or cognitive elements can likewise determine faultline strength.

There is also the issue of how faultlines can be diffused or when they exist how they can be used for productive rather than destructive ends. For example, Lim et al. (2013) suggest that task conflict will be low and relationship conflict high when faultlines are strong. However, this does not necessarily need to be the case, particularly with regard to task conflict, if an actual, as opposed to perceived, balance of power can be achieved among the two groups. Furthermore, by channeling disagreements toward material matters, petty strife might be minimized, and decision quality can be enhanced (Kellermanns, Floyd, Pearson, & Spencer, 2008). On the other hand, the ability of a powerful owner–manager to discipline other team members may prevent faultlines from developing, albeit with the risk of sacrificing task conflict (e.g., Ensley & Pearson, 2005). But we need more theory and research to understand if, when, and how the constructive management of conflict across faultlines might occur.

Generational Involvement and Entrepreneurial Orientation

In contrast to the studies of Cruz et al. (2013) and Lim et al. (2013) that deal with teams formed explicitly to seek and exploit entrepreneurial opportunities, Sciascia et al. (2013) deal with the entrepreneurial orientation of preexisting teams in a sample of 199 mature family firms located in Switzerland. However, their arguments and findings are highly congruent with those of the other articles contained in this issue. Sciascia et al. draw on upper echelons theory (Hambrick & Mason, 1984) to suggest that generational involvement is a proxy for knowledge diversity and therefore that entrepreneurial orientation suffers whenever too much or too little generational involvement is present. In the first instance, the involvement of only one generation is expected to lead to groupthink and a more conservative mode of business. Here, the firm suffers from too little task conflict, too few devil's advocates, too few risk takers, and too little creativity. In the second instance, the involvement of multiple generations increases the risk of relationship conflict owing to excessive kinship distance and difficult-to-reconcile disparities in goals and strategies. Here, what might evolve into constructive discussions of alternative courses of action is likely to turn into disagreements centered on personal rivalries, distrust, and deliberate or inadvertent misunderstandings. Consequently, Sciascia et al. hypothesize and find that generational involvement has an inverted-U shape relationship with entrepreneurial orientation.

As noted above, Sciascia et al.'s (2013) findings can be compared with those of other articles contained in this issue. For example, their study suggests that the number of generations involved in a family firm and the possibility of faultlines emerging may be correlated. Using the work of Lim et al. (2013) as a guide, several explanations are possible including the natural differences that might occur given incongruencies between the current ownership of the older generation and the (often uncertain) residual ownership of the younger generation, as well as the obvious differences in mental models that are likely to occur when individuals representing three or more generations of a family are involved. On the other hand, Sciascia et al.'s study also suggests that faultlines between groups with somewhat different perspectives may be healthier than no faultlines at all, as long as they are not allowed to become too deep. These considerations are in line with research on surface and deep level diversity and on conflict within entrepreneurial teams (Schjoedt & Kraus, 2009), as well as with recent thoughts on how entrepreneurial orientation is not necessarily as homogenous and pervasive throughout the firm as many researchers have assumed (Wales, Monsen, & McKelvie, 2011).

Sciascia et al.'s (2013) study also underscores an implicit message from the study of Cruz et al. (2013); namely that beyond the years of its founding, a family business may only engage in significant entrepreneurial activity when members from the succeeding generation join and, in effect, challenge the leadership of the incumbent generation. Combined, those studies also suggest that significant entrepreneurial activity is less likely to occur when three or more generations become involved owing to a lack of a shared vision, lower trust, and potentially very different conceptions of what family stewardship is all about. Thus, these studies indicate that entrepreneurial activity is dependent on the "right" amount of diversity within the family-based team.

Founder Teams and Human Resource Values

The early decisions made by the leadership team of a new venture are important in establishing the trajectory of development of the firm as it grows and matures, and therefore understanding how teams make these decisions regarding structures and processes will help explain firm behaviors and performance (Baron, Burton, & Hannan, 1996; Beckman et al., 2007; Francis & Sandberg, 2000; Fren, Cardinal, & O'Neill, 2012; Hmieleski & Ensley, 2007; West, 2007). Critical to the investigation of the composition of new venture teams is whether and when team heterogeneity or homogeneity (which includes the degree of diversity and what kind of diversity) is more effective. In the article by Leung, Foo, and Chaturvedi (2013), the assumption is that both can be important in terms of the internal consistency and distinctiveness of human resource values, which are important for the long-term performance of the firm because they will affect strategy implementation. The authors argue that common bonds through shared organizational experience indicate high-quality relationships among team members and therefore will increase the consistency and distinctiveness of human resource values. Thus, their measure of homogeneity through shared organizational experience is quite similar in its theoretical justification if not its empirical operationalization to the measures of intra-team relationships used by Cruz et al. (2013), Lim et al. (2013), and Sciascia et al. (2013).

The authors also argue that functional diversity can increase or decrease the internal consistency and distinctiveness of human resource values. The former argument is based on the notion that functional diversity represents a firm's cognitive capability, an argument similar to Lim et al. (2013) and Sciascia et al.'s (2013) idea that functional diversity is linked to constructive task conflict and more coherent decision making. However, Leung et al. (2013) recognize that it is possible that functional diversity could reduce the likelihood of strategic consensus, which would negatively impact the internal consistency and distinctiveness of human resource values. Finally, the authors investigate the interaction effects of shared organizational experience and functional diversity, arguing that high levels of both will have the greatest positive impact on the internal consistency and distinctiveness of human resource values.

The findings of Leung et al.'s (2013) are consistent with those of the other studies in this special issue. Using a sample of 60 high-tech firms from Singapore, they find that shared organizational experience increases the internal consistency and distinctiveness of human resource values, but functional diversity only increases distinctiveness. Of more interest are the results of their tests of moderation, which were statistically significant but contrary to the direction proposed in their hypotheses. Thus, venture teams with high shared organizational experience and low functional diversity reported the highest levels of internal consistency and distinctiveness of human resource values. Combined with the other studies in the special issue, the results of Leung et al.'s work again suggests that strong relationships among team members may be a more important ingredient for success for both family and nonfamily firms than a comprehensive set of skills among team members. Interestingly, these findings seem to be valid across cultures as the results of the various studies in this issue span samples in several different continents.

Family Ties, Teams, and New Venture Creation

Although the potential for relationship conflict among entrepreneurial teams consisting of unrelated individuals is high, having a team composed of family members does not ensure tranquility. In fact, given the extant literature one might conclude that relationship conflict is more likely in family firms than in nonfamily firms (Ensley & Pearson, 2005; Kellermanns & Eddleston, 2004). Moreover, teams of family members would also seem to lack the skill breadth seen as so important to new venture success. As a consequence, one might expect that nonfamily teams would outperform family teams. However, using social identity theory Brannon et al. (2013) suggest that this is not always or even usually the case. They argue that the nature of the relationships among team members matter in determining the effectiveness of family and nonfamily teams in new venture creation, because these influence their ability to adapt to the new roles that venturing requires. Couples are likely to have the advantages of particularly strong relationships, shared venture goals, and the flexibility to negotiate mutually acceptable roles in the family and in the firm. By contrast, role adjustments are expected to be more difficult in biologically linked teams owing to relationships that are based on a long history of interaction that are both hard to change and prone to contain the seeds of dissention.

Brannon et al. (2013) therefore expect that venture teams composed of couples will be more likely, and biologically linked teams less likely, to achieve first sales than teams composed of unrelated individuals. However, they also hypothesize that when biological teams are able to employ mechanisms, such as differential financial investment to reconcile family and firm roles among team members, their ability to achieve first sales will improve relative to teams composed of either couples or unrelated individuals. Using longitudinal data from a sample of 295 venture teams located in the United States, they were able to support all of their hypotheses.

Although their study is suggestive rather than definitive, Brannon et al. (2013) are able to provide evidence that substantiates the implications of the other studies found in this special issue. Brannon et al.'s study shows that relationships are a primary driver of the success of entrepreneurial teams. When relationships are strong and relational conflict can be avoided, the probability of team success is improved. By contrast, poor performing teams appear to lack the mechanisms necessary to overcome relational issues. What they add is a social identity explanation for why the potential for relationship conflict might either be curtailed or aggravated, depending on the circumstances.

While it seems intuitively appealing to argue that the cumulative skills of an entrepreneurial team are more important, none of the studies included in this special issue support that supposition. Cruz et al.'s (2013) work suggests that skills and abilities help determine roles and assignments in family entrepreneurial teams, but this appears to be clearly a secondary function. Furthermore, Leung et al.'s (2013) study indicates that if anything, skill diversity can undermine the utility of team relationships in ensuring the consistency and distinctiveness of the human resource values of a firm. On the other hand, Lim et al.'s (2013) conceptual model and Sciascia et al.'s (2013) empirical study seems to place more equal weightings on relational and task issues. Nevertheless, both suggest that the ability of individuals to function as a team outweighs the individual or collective abilities of the team. In line with previous research (Schjoedt & Kraus, 2009), these studies seem to indicate that deep level diversity (e.g., values) should be limited because of its potential to increase relationship conflict between team members as they engage in problem solving. Conversely, surface level diversity (e.g., educational background), if maintained (e.g., by replacement of team members), enhances the team's decision quality and performance (Schjoedt & Kraus, 2009). Brannon et al.'s (2013) study shows that family teams can be the best or the worst in achieving first sales, leading the authors to suggest that the types of relationships as well as the strength of relationships matter, that the ability of individuals to adapt is important, and that there are mechanisms that can be used to improve the probability of team success.

Conclusion

This special issue is devoted to achieving a better understanding of the complex dynamics of entrepreneurial teams in family businesses and new ventures. Taken together, these studies suggest that relationships among team members are more important for the success of the team than skill diversity, regardless of whether the team is composed of family members or unrelated individuals. Interestingly, this conclusion seems to apply to teams in as diverse locations as Honduras, Singapore, Switzerland, and the United States.

However, much more work needs to be done before we begin to have even a minimal understanding of the workings of entrepreneurial teams. For example, further work is needed to determine how teams are formed, how they evolve, how they behave, what processes they employ, and how they perform over time. The concept of faultlines is also a promising route for further work but there may be opportunities missed by focusing excessively on the downside rather than on the upside of competing coalitions in the firm. In a family context, work is needed on how altruism toward family members in a team can be used effectively rather than excessively, while avoiding the dangers of relationship conflict. Given the ubiquity of family firms and their tendency to select team members based on blood or marital relationships, it would also be useful to better understand how they deal with the skill constraints that occur as a result of such preferences.

While this special issue addressed a number of the research questions specified in the original call for papers (see Table 1), the articles did not address all of them. For example, the area of compensation and rewards was not addressed and remains an understudied topic in need of research. On the other hand, the articles in this special issue raised a few new research questions. In particular, the articles raised questions on particular nuances of teams such as faultlines—those barriers than can occur within teams (Lim et al., 2013); formation of subsets of family teams (Cruz et al., 2013); founder team imprinting on HR values (Leung et al., 2013); vertical distance of family members within teams (Sciascia et al., 2013); as well as the types of relationships among family members within teams (Brannon et al., 2013). In addition, other issues such as the emotional dynamics of founders and their teams (Biniari, 2012), knowledge dynamics in science-based new ventures (Knockaert et al., 2011), and the role of high-performance work systems in employee retention (Patel & Conklin, 2012) have been recently identified in *Entrepreneurship Theory and Practice* as important themes for organizational entrepreneurship research. While the authors in this special issue have provided a solid foundation to

Table 1

Research Questions From Original Call for Papers

Team formation, composition, and changes in team composition.[†]	High-performance human resource practices.
Attitudinal and behavioral effects of team demography and heterogeneity.[†]	Communication in teams.[†]
Human and social capital of the entrepreneurial team.[†]	The influence of family altruism on the behavioral dynamics of family firms.[†]
Management succession and professionalization.	Power and politics in entrepreneurial teams.[†]
Procedural and distributive justice in compensation decisions.	Conflict and team decision making.[†]
Individual vs. group level compensation.	Entrepreneurial team influence on venture performance and growth.[†]
Innovative compensation schemes and theories.	

[†] Topics that received attention, directly or indirectly, in the special issue.

explore organizational entrepreneurship, specifically with regard to entrepreneurial and family business teams, much future work is needed. We encourage entrepreneurship and family business scholars to pursue these under-researched and practice-relevant questions in their future work.

In closing, it should also be noted that these five articles cover a wide range of scientific philosophies and methodologies. While four articles are empirical, one is conceptual (Lim et al., 2013). Of the empirical articles, three are quantitative and one is qualitative (Cruz et al., 2013). And of the quantitative articles, one examines interaction effects (Leung et al., 2013), one examines nonlinear effects (Sciascia et al., 2013), and one examines longitudinal effects (Brannon et al., 2013). This diversity should encourage research on the organizational behavior and human resource questions surrounding the functioning and performance of both entrepreneurial and family business teams.

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