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The Principle of Family Business in Indonesia – Management Review

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ABSTRACT

The article aims to analyze the implementation of family business management in Indonesia. Family businesses often experience problems in managing businesses that involve family members. This article is qualitative research that interviews taxable companies in East Nusa Tenggara and uses them as a primary data source. The second source of data is the company's information. After receiving several data sets, they are analyzed in descriptive analysis. The results of this article show that trust in the eldest son in the family is the most critical factor in continuing the business. Meanwhile, sisters and other siblings still own the business and share ownership of the company, which the same family dominates. This is a long-term investment for prosperity to the next generation. In addition, it is about the reputation and image of the company that is considered a family member. The company's strength is related to the family's interest in maintaining its reputation. Therefore, some companies with retired founders are active in social, religious, and charitable activities.

Keywords: Family business, Management, Taxable entrepreneur, Family members, Ownership

JEL Classification: G10, H10

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