

# **ESTONIAN HOSPITALITY SECTOR FAMILY FIRMS PERFORMANCE IN 2020-2021**

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The research problem of the bachelor's thesis is the performance of Estonian family businesses during crises. The aim of the research is to find out whether Estonian family businesses fared better than non-family businesses in the (corona) crisis that occurred in 2020-2021.

To reach the aim of the bachelor thesis, the author defined the main family business definitions and described specificities of family enterprises in the hospitality sector. In the theoretical part the main factors that affect the family business performance and the main reasons, why family enterprises have better performance than non-family enterprises, were introduced. It was described that the family business performance is higher than the non-family business performance (Peters and Kallmuenzer, 2018). Although family relations and trust help family businesses to cope better in the crisis (Le Breton-Miller and Miller, 2022; Jiménez, Martos and Jiménez, 2015), the dissents in the family might have also lowered their performance during the crisis (Azila-Gbetteor et al., 2022; Le Breton-Miller ja Miller, 2022; Siakas et al., 2014). Risk aversion (Arrondo-García, Fernández-Méndez and Menéndez-Requejo, 2016; Leppäaho and Ritala, 2022; Leppäaho and Ritala, 2022) may have increased the effectiveness of necessary changes, but it could have decreased it as well.

In the empirical part, the methodology and data collection process were presented. The sample included businesses from the Harju county family and non-family enterprises from the hospitality sector. Firstly, descriptive statistics were conducted, which examined mean, standard deviation, minimum and maximum values. Spearman's correlation showed that the return on assets had a strong correlation with the return on equity and return on sales in the year 2019 and years 2020-2021. The Mann-Whitney test showed the family enterprises' return on equity and the return on assets were lower than for non-family enterprises for the given period.

The factors mentioned above might have affected Estonian hospitality sector family business performance not being equal to non-family businesses in 2020-2021. The results of the thesis could be used to develop a master thesis that would map, why Harju county family businesses' performance was different from non-family businesses' in 2020-2021. That information would provide insight for Estonian entrepreneurs and could help them cope better with future crises. Furthermore, the topic could be further developed by using a larger sample, for example by examining all the Harju county businesses or all the Estonian enterprises in one given sector.

Full Access to the paper (in Estonian):

<https://dspace.ut.ee/server/api/core/bitstreams/b287a3e9-a005-47b5-9d15-c9a7dc362f18/content>