

Marriage Psychology and Green Innovation in Family Businesses

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Abstract: This paper explores the intricate relationship between marriage psychology and green innovation in family businesses, arguing that the two domains are closely intertwined and mutually influential. It first examines the psychological aspects of marriage, focusing on the dynamics between spouses and the role of marriage in individual well-being. Then, it delves into the realm of green innovation in family businesses, analyzing its economic and social implications for families. The paper argues that a deeper understanding of the intersection of these two fields can provide valuable insights for policy makers, researchers, and practitioners in various fields.

Key words: Marriage, green innovation, family businesses, empirical experience

1. Introduction

Marriage, as a social institution, has long been a subject of interest for psychologists, sociologists, and economists. The psychological aspects of marriage, such as the dynamics between spouses, the role of marriage in individual well-being, and the impact of marital status on personal identity, have been extensively studied. On the other hand, green innovation in family businesses, as a component of fiscal policy, has significant economic and social implications for families, including income distribution, poverty reduction, and social welfare.

However, despite the independent advancements in both fields, the intersection of marriage psychology and green innovation in family businesses remains underexplored. This paper aims to bridge this gap by exploring the relationship between these two domains and providing insights for further research and policy making.

2. Theoretical Basis

2.1. Marriage Psychology and Family Businesses

Marriage of different ages live in different growth times and objective environments such as culture and education. Therefore, Marriage of different ages will have certain differences in social experience, work experience and attitude towards the same thing. Generally speaking, husband always have rich working experience, are more familiar with major laws and regulations related to the survival of the company, and prefer a more conservative and cautious attitude in dealing with difficult economic decision-making problems. On the other hand, the position of husband has generally reached a certain height, and they also enjoy a certain reputation in the industry. Therefore, husband have less desire for promotion and salary increase than wife in family business. If there is a "scandal" of financial fraud in their unit during their tenure, it will have a great impact on their reputation, Therefore, the age of senior management team is negatively correlated with corporate earnings management behavior. The research of Qingmei Tan, et al (2022) shows that the older the average age of the senior management team, the better the performance of the enterprise [1].

The gender difference of executives also shows some differences in enterprise decision-making behavior, which is mainly caused by affecting the management style, risk preference and value orientation of male and female executives. Compared with male executives, female executives show more risk aversion and no overconfidence in the process of business decision-making, so they are more inclined to avoid risks, which limits the decision-making of enterprise venture capital. Eagly and Johnson (1990) found that the gender differences of senior executives will lead to differences in corporate strategic attitudes, and female senior executives prefer dynamic strategies [2]. Boden and nucci (2000) found that enterprises run by female entrepreneurs have higher enterprise survival rate than male entrepreneurs [3].

Education can reflect personal cognitive ability in Marriage to a certain extent. Generally speaking, executives with higher education can have better rapid learning ability, which will have a different impact on enterprise operation and management. Weihang Xu, et al. (2021) found that when executives of listed companies have different backgrounds in overseas study, finance and academic experience, the quality of financial information involved in the financial statements of the listed company will be different to a certain extent, and executives with the above background are more inclined to disclose high-quality accounting information [4]. Yan Du, et al (2021) found that in listed companies, executives with higher education usually have higher analysis and decision-making ability, can better solve the practical problems encountered by the company, and can effectively ensure the reliability of information disclosure of Listed Companies [5]. Lynne V McFarland (2010) found that there is a positive correlation between the education level of senior executives and their rapid learning ability and information search

ability. When making enterprise decisions, senior executives with higher education are more able to give play to their forward-looking ability to predict the risks that the enterprise will face. Therefore, listed companies with highly educated senior executives are generally less likely to have governance violations [6].

To a certain extent, the length of tenure can reflect the different effects of Marriage on information sharing and communication. When the internal familiarity of family member is higher, communication and communication may be more effective, and ideas and information can be better shared. At this time, the strategy and performance of the enterprise will be affected to a certain extent. Song Mo Xi and Yang Morgan Xin (2019) combined with upper echelons theory made a study on the average tenure of the senior management team, enterprise performance and enterprise strategic decision-making. It was found that the average tenure of the senior management team was positively correlated with the strategic stability of the enterprise [7].

2.2. Green Innovation: economic and social implications

The new round of technological revolution is guiding a historic change in the global economy. The malignant changes in the global climate today have become a huge challenge that all countries around the world must face, and have provided a driving force for reflection on the development and transformation of the world economy. Green and low-carbon economy has gradually become a new focus of global economic development. The enormous challenge of climate change is facing humanity worldwide, and no country can remain indifferent. Building a community with a shared future for mankind and promoting the transformation and upgrading of the national economy towards a green and low-carbon model is an important mission that all countries cannot shirk today. The new round of technological revolution is also guiding a historic change in the global economy. Countries around the world are actively transforming and upgrading towards a green and low-carbon economy, promoting a shift in their development model from extensive to green intensive. The World Watch Institute has pointed out that ecological technological innovation will be the key to a country's long-term sustainable development. After more than 30 years of rapid economic development and becoming the world's second-largest economy, China has paid a painful price in terms of resources and environment during its development process. China's carbon emissions problem is becoming the focus of the world. To address climate change, achieve environmental governance, and meet the goals of the Paris Agreement, China has made commitments to the world to peak carbon emissions and achieve carbon neutrality. The commitment is to peak carbon emissions by 2030 and then achieve net zero carbon emissions by 2060. Green innovation, with its ability to alleviate environmental pollution and improve ecological quality, has gradually become an important support for China's ecological civilization construction and an

important strategy for micro entities to achieve sustainable development of enterprises. Based on the theory of natural resource foundation, the academic community has begun to realize that in addition to facing institutional and demand environments, enterprises also need to consider the impact of changes in the physical environment. Subsequently, the academic community engaged in in-depth discussions on green innovation. Green innovation is a broad term that can be classified as green innovation as long as it possesses innovative novelty and value characteristics, and can achieve resource conservation and environmental improvement. Green innovation is also commonly referred to as "sustainable innovation", "ecological innovation" or "environmental innovation", and is usually associated with "sustainable development", "environmental issues" and "externalities". Research on green innovation can be summarized at the level of enterprise characteristics and external market environment. At the level of corporate characteristics, previous studies have found that profitability, R&D investment, degree of social responsibility fulfillment, corporate governance level, and executive background characteristics such as marital psychology, military experience, education level, gender, employment background, etc. can all affect corporate green innovation. At the external market environment level, from the perspective of market factors, market pressure, external stakeholder pressure, and consumer green demand all have a promoting effect on corporate green innovation; From the perspective of environmental policy factors, green finance, pilot policies for emissions trading, and low-carbon pilot policies can all induce green innovation in enterprises; From a government perspective, most scholars support the role of government subsidies in promoting green innovation in enterprises. Furthermore, some scholars have found that this promoting effect only exists during the growth and transformation stages of enterprises; From the perspective of regulatory factors, there is no consensus on the impact of environmental regulations on green innovation. Institutional theory emphasizes the driving role of environmental regulations in green innovation, believing that in order to meet legitimacy motives, enterprises must engage in green innovation. Due to the "dual externality" characteristics of green innovation, environmental regulation is the most effective incentive method when the motivation for green innovation of enterprises is insufficient.

3. The Intersection of Marriage Psychology and Green Innovation in Family Businesses

Green innovation in family firms plays an important role in intergenerational transmission, especially under the Parent-Child Co-Governance (PCCG) model. Studies have shown that family firms under the PCCG model typically perform less well in green innovation than firms under the non-PCCG model. This may be due to the fact that firms tend to face tighter financing constraints and lower risk appetite during shared governance, factors that limit green innovation investment and development

In addition, marital decisions and family dynamics in family firms may also be affected by the ripple effects of the green innovation economy. In China, family firms occupy an important place in the economy, and succession issues are particularly acute. With the retirement of the first generation of family business founders, Chinese family businesses are now facing a critical period of intergenerational succession. Researchers have shown increasing interest in the issue of social capital in family firms in emerging economies. At this critical stage, the successful handover of leaders from founders to heirs, while ensuring the health of the business, poses a major challenge for Chinese family firms

The impact of heirs' marital relationships on family businesses should not be overlooked. In Chinese culture, marital relationships are closely related to the stability and inheritance of family businesses. A well-matched marriage can provide emotional support and resources to the heirs, which can contribute to the innovation and development of the family business. On the contrary, a mismatched marriage may lead to family conflicts and obstacles to business operations. Therefore, the choice of heir's marriage may have a significant impact on the long-term success and legacy of the family business.

In summary, when considering intergenerational inheritance and innovation strategies, family firms should take into account not only economic and technological factors, but also social and emotional factors within the family, including the marital relationship of heirs, which may have a profound impact on the green innovation and long-term development of the firm.

4. Conclusion

In conclusion, marriage psychology and green innovation in family businesses are closely intertwined and mutually influential. A deeper understanding of the intersection of these two domains can provide valuable insights for policy makers, researchers, and practitioners in various fields. By considering the psychological aspects of marriage and the economic implications of green innovation in family businesses policies, we can design policies that promote family stability, well-being.

In order to promote family stability and happiness, policy makers can take a series of comprehensive measures. Firstly, family businesses should strengthen family governance by establishing a family charter and family office, clarifying member responsibilities, avoiding internal conflicts, and focusing on sustainable development, including strategies such as cultivating professional managers and promoting company listing. The government can support the construction of healthy families through measures such as building family health service platforms, improving family health literacy, and creating a healthy family environment. At the same time, encourage green technology innovation and build a market-oriented green technology innovation system to enhance the competitiveness and market value of enterprises. Family businesses also need to plan inheritance

strategies in advance, such as establishing family wealth funds or family offices, to ensure a smooth transition of the enterprise. In addition, promoting the fine traditions of the Chinese nation and strengthening the sense of family affection and responsibility among family members are also important ways to build harmonious families. Finally, recognizing the significant impact of marriage and family on corporate finance and economic development, providing family friendly policies and measures can further promote family stability and happiness. The integrated implementation of these measures can provide psychological and socio-economic support for family businesses and their members, laying a solid foundation for the long-term development and social responsibility of the enterprise.

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