

---

## The Impact of Family Conflict on the Development of the Mulya Manggis Family Business

Irvan Juliyano<sup>1</sup>, Citra Putri Desmona<sup>2</sup>, Rifan Irawan<sup>3</sup>, Mira Nurfitriya<sup>4</sup>, Azizah Fauziyah<sup>5</sup>  
<sup>1,2,3,4,5</sup>UPI Kampus Tasikmalaya, Universitas Pendidikan Indonesia, Indonesia

---

### ARTICLE INFO

#### Article history:

DOI:

[10.30595/pssh.v15i.933](https://doi.org/10.30595/pssh.v15i.933)

Submitted:

November 28, 2023

Accepted:

December 18, 2023

Published:

January 18, 2024

---

#### Keywords:

Conflict; Business; Family

---

### ABSTRACT

Family businesses have unique characteristics as they are owned and managed by family members. However, family businesses also have unique challenges, such as family conflicts that have an impact on business development. This study aims to determine the impact of family conflict on the development of the Mulya Manggis family business. The object of this research is the Mulya Manggis family business. The method to be used in this research uses quantitative research methods with a descriptive verification approach in the form of interviews conducted in private and filling out questionnaires. The population used is Mulya Manggis family members and the sample used is family members who are directly involved in the Mulya Manggis family business. The alleged results of this study indicate that the impact of family conflict has significant negative implications for the development of family businesses.

This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).



---

#### Corresponding Author:

**Irvan Juliyano**

UPI Kampus Tasikmalaya, Universitas Pendidikan Indonesia,

Jalan Dadaha No. 18, Tasikmalaya, Indonesia

Email: [irvanjuliyano@upi.edu](mailto:irvanjuliyano@upi.edu)

---

## 1. INTRODUCTION

A business which is owned and operated by two family members is referred to as a family business. (2018) Rikka and Eddy. In the meantime, Goto (2006) states that family businesses have at least two family members serving as their executives and shareholders, and that family members are involved in ownership and management. The most important factor to take into account is the family business's success. Typically, a businessman starts from the ground up with the intention of growing it to a point where it can be managed and compete with other companies. A family business has an impact on the performance and management of both large and small businesses. It is run by family members.

According to research by Porta, Lopez-de-Silanes, and Shleifer (1999), families still have significant influence over a number of large corporations worldwide. Half of the GDP in the United States is derived from the around 12 million family businesses that exist in the country. In addition, they employ over 50% of the nation's workforce (Dascher & Jens, 1999). Thus, family businesses can be referred to as the "engine of the world economy" because they support entrepreneurship, the creation of new jobs, and the advancement of economic development in society, according to Poutziouris (2001). Even in Indonesia, family businesses are an important factor in the economy. Unquestionably, family businesses dominate the economy and are said to keep outperforming non-family businesses in terms of performance. All that can happen if the family business is able

to maintain the special character of the family. The unique qualities of the family can work to the company's advantage and give it a competitive edge in the business world.

However, as one of the main causes of conflict in family businesses is differences in viewpoints, opinions, and perceptions, conflicts are frequently unavoidable in these settings. The Big Indonesian Dictionary defines conflict as opposing viewpoints that are at odds with one another and not in agreement. When two or more family members disagree on ideas, viewpoints, arguments, opinions, and perceptions, there is conflict in the family business and the family members start blaming each other, which hurts the family business. This phenomenon is the main focus of family business relationships on family business development, internal conflict can be a hurdle for the development of the family business. Generally speaking, family conflict issues have an effect on decision-making, business development plans, and the general performance of the family business in addition to their negative effects on interpersonal relationships. As a result, this study will examine how family conflict affects the growth of individual family businesses in greater detail and look for ways to enhance and expand the enterprise over time.. Conflict management, which includes keeping track of the different factors that cause conflicts, is necessary to ensure that conflicts that do arise do not worsen, disrupt the continuity of company management, or even become difficult to control (Laurence & Mustamu, 2015). Thinking about that family disputes often originate in family business operations, conflict management is necessary. In order to resolve a conflict, proactive measures must be planned, coordinated, motivated, and routinely assessed. This is known as conflict management.

In this case, family businesses tend to suffer from problems associated with management teams that lack skills and experience. Family business conflicts can be classified into three categories. The first is the conflict that arises when family and business interests collide. This may happen as a result of the family and business's differing values. Looking inward, making decisions based on feelings, and receiving unconditional acceptance from family members are characteristics of family values. Business development models, on the other hand, also need to adapt to the current environment, as business values are external systems. Second, conflicts within the family. Family conflicts fall into four categories: disagreements about objectives, work and lifestyle, disagreements about corporate control, and departure from the family. In this case, there is a chance that conflict within the family will arise due to parties' divergent points of view and drastically altered lifestyles and careers over time. Third, conflict resolution can be done voluntarily or by submitting the dispute to the consultant in writing, resolving conflicts by dividing the business into several parts and selling shares to other parties or third parties.

The overall goal of this study is to evaluate how family conflict affects the growth of the Mulya mangosteen family business. This research specifically focuses on important issues like the dynamics of family relationships within the business and the sustainability of business operations.

Hypothesis H0: The development of family businesses is not significantly impacted by family conflict.

Hypothesis H1: The growth of family businesses is significantly influenced by family conflict.

This study may identify whether family conflict has a significant impact on the growth of the Mulya mangosteen family business and serve as a measuring tool. It can also determine whether family conflict's effects on the business's development will be beneficial or detrimental to the process of business development in the future.

The results of previous work entitled "The Impact Family Conflict Toward Intention To Stay In The Family Business: The Moderating Effect Of Socioemotional Wealth" (Lajj, 2019) explains that the impact of conflict has a significant negative influence on the intention to stay in the family business. However, the intention to remain in the family business is significantly positively impacted by socioemotional wealth. Previous research is beneficial to future research because it can be used to determine the effects of family conflict.

According to the findings of earlier research titled "Conflict Management in Family Companies" (Yolla, 2019), conflicts between families are primarily brought on by misunderstandings about differences and an unclear organizational structure within the family business. The benefits of this earlier research include the mention of efforts that can be taken to resolve these conflicts, such as cooperating with business consultations and making the family business's organizational structure more clear, in addition to the causes.

According to the findings of earlier research titled "Factors that Shape Family Businesses to Grow Sustainably" (Gunawan, 2019), family business values, harmony, and leadership all impact the growth of family businesses. This study offers advantages for future research since it gives light on how to expand a company and steer clear of family disputes.

The results of previous work entitled "Entrepreneurship Sustainability in the Form of Family Business: What Has Been and Still Needs to Be Revealed" (Fandy, 2019) explains that in order for a family business to last and develop, it requires a competent business leader and minimal conflict in the family, this further strengthens the research data that the impact of conflict has a negative influence on family business development.

According to the findings of a prior study titled "Communication Experience of Family Business Actors in Developing Culinary Business in Sukabumi City" (Rima, 2016), communication is crucial in order to reduce misconceptions that could lead to future family disputes. The research has implications for future investigations

since it shows that family members involved in the business must communicate with one another in order for the enterprise to grow and prevent conflict between families.

## 2. RESEARCH METHOD

The object of research is an attribute determined by the researcher Sugiyono (2014: 20). The Mulya Manggis family will be the research subject used to examine how conflict has affected the growth of the family business. This study employed a quantitative research methodology, when data was collected through a descriptive verification approach through private interviews and questionnaire completion. The population used is Mulya Manggis family members and the sample used is family members who are directly involved in the Mulya Manggis family business. Quantitative data, or research data that has been numerically represented and statistically examined, is the kind of data used in this methodology. Members of Mulya Manggis' family filled out a questionnaire survey in order to collect primary data. The application of data analysis methods like path analysis is explained by the verification process. Furthermore, this approach employs questionnaires as a systematic research assessment instrument to elicit particular data from participants.

The first step in the research process is to formulate the problem precisely. Making sure the issues are clearly defined and supported by empirical data is crucial. The next step is a literature study, in which relevant research is reviewed in order to understand theory. The development of hypotheses transient assertions or guesses about the problem that has been formulated will be based on this theoretical mastery. The connection between the problem and the hypothesis needs to be maintained so that the research has relevance. At this point, the research methodology is chosen in an effort to streamline or devise a plan for envisioning the outcomes that follow the hypothesis or assumption. In addition, research instruments like questionnaires and closed interviews are prepared as means to collect data. It is important to choose a data collection method that matches the sampling method used. Collecting and researching the study data is the next step. The predetermined procedure is followed for the collection of data, and analysis is carried out resulting in results that either confirm or refute the hypothesis. The conclusions that result from this analysis are based on its findings. The analysis and presentation of the findings take place at the conclusion stage. Problems and hypotheses can be formulated, the truth can be demonstrated, and conclusions can provide answers. The research process culminates in this conclusion, from which implications and recommendations for additional research can be derived.

## 3. RESULT AND DISCUSSIONS

### Descriptive Analysis

When doing a descriptive analysis, the data is analyzed in its original form without any intention of drawing broad conclusions or generalizations (Sugiyono 2017). The lowest and maximum values for each variable are shown in table 1. The average value of the conflict impact variable (X) is 55.90, with a standard deviation of 3.510 data points, and a minimum and maximum value of 50 and 62, respectively. The business development variable (Y) has a standard deviation of 2.875, an average value of 42.40, and a maximum and minimum value of 35 and 42, respectively.

Table 1. Descriptive Analysis

	N	Minimum	Maximum	Mean	Std Deviaton
Impact of Conflict (X)	10	50	62	55.90	3.510
Business Development (Y)	10	35	45	42.40	2.875
Valid N (listwise)	10				

Source: Data Processing by SPSS (2023)

### Regression Analysis

Regression analysis is useful in research when estimating the dependent variable (Y) given knowledge of the independent variable (X) Riduwan and Sunarto (2012: 105). One independent variable and one dependent variable are used in simple regression, which is predicated on a functional relationship Sugiyono (2011: 261). The following is the general equation for simple linear regression:  $Y=a + bX$

Information:

Y : Dependent Variables

X : Independent Variable

- a : Constant  
b : Regression Coefficient

Table 2. Regression

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	18.760	15.957		1.176	.000
	Total_X1	.503	.311	.496	1.615	.002

a. Dependent Variable: Total\_Y1

Source: Data Processing by SPSS (2023)

The Constant (a) value is 18,760, while the total X value is 0.503. The regression equation can be written:

$$Y = a + bX$$

$$Y = 18,760 + 0,503X$$

- The constant of 18.760 means that the consistent value of the participation variable is 18.760.
- The regression constant X of 0.503 states that every 1% increase in value, the participation value increases by 1%, so it can be said that the effect of variable X on Y is negative.

### Coefficient Test

The coefficient of determination test is a test that explains the variation in the dependent variable which is influenced by the independent variable (Widarjono, 2017). The accuracy of the regression function in estimating the actual value that can be measured statistically (Ghozali, 2011). If the coefficient of determination (R-squared) value is close to number (1), it can be said that the dependent variable has been explained well by the independent variable. According to Chin (2010) the R - Square value is categorized:

- Strong if more than 0.67
- Moderate if more than 0.33 but lower than 0.67 and
- Weak if more than 0.19 but lower than 0.33

Table 3. Coefficient Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.496 <sup>a</sup>	.246	.683	9.154

a. Predictors: (Constant), Total\_X1

Source: Data Processing by SPSS (2023)

Family conflict generally has two effects on the development of family businesses: first, it interferes with family life, which means that family conflict makes it harder for family businesses to grow (Hammer, Neal & Perrin, 2004; Noor, 2004). According to Susan Novri (2014), conflict develops when people interact negatively with one another.

Regression analysis results show a figure of 18.76%, indicating a negative impact of conflict on the Mulya Manggis family business. The statement from the coefficient test, which indicates that conflict has a strong impact on the growth of the family business and stands at 68.3%, supports this outcome.

According to the analysis's findings, internal conflicts—such as differences in viewpoints on family business policies, opinions, and the decision-making process—are what lead to family conflict and can make it difficult for the family business to function smoothly as they make all of the family members involved uncomfortable. This is particularly true if all family members or relatives manage the company. Furthermore, issues that surface in the family business may give rise to fresh issues in the family setting. For instance, relatives disagreed about the best way to manage the Mulya Manggis family business.

## 4. CONCLUSION AND RECOMMENDATION

The results of the research show that there is a significant inverse relationship between family conflict and the growth of the Mulya mangosteen family business. In the context of a family business, the dynamics of family conflict can have an impact on the long-term sustainability of business operations and family relationships. Family disputes have a negative effect on the growth of family businesses by dividing the families who are involved, impeding decision-making, and resulting in losses for the established family business. These findings offer a

thorough understanding of the significance of resolving family disputes in order to preserve the longevity of family business growth and the prosperity of the Mulya mangosteen family business.

#### Advice

Readers of this study should consider the following recommendations to gain a general understanding of the relationship between and effects of family conflict on the development of family businesses.

#### REFERENCES

- Ekonomi, F., & Atma Jaya Yogyakarta Jalan Babarsari Nomor, U. (n.d.). Kelangngan Entrepreneurship dalam Bentuk Bisnis Keluarga: Apa yang Telah dan Masih Perlu Diungkap Fandy Tjiptono
- Martha, J. A. (2021). keterlibatan Keterlibatan Orang Tua dalam Menumbuhkan Minat Anak untuk Melanjutkan Bisnis Keluarga. *JURNAL PENDIDIKAN DAN KEWIRAUSAHAAN*, 9(1), 26–41. <https://doi.org/10.47668/pkwu.v9i1.163>
- Effendi, L. V. (2020). THE IMPACT OF FAMILY CONFLICT TOWARD INTENTION TO STAY IN THE FAMILY BUSINESS: THE MODERATING EFFECT OF SOCIOEMOTIONAL WEALTH. *JOURNAL OF APPLIED MANAGEMENT*, 18. <https://doi.org/10.21776/ub.jam>
- Shinta, D., Sri, L., & Abdullah, M. (2013). KETERLIBATAN AYAH DALAM MENUMBUHKAN KEMANDIRIAN ANAK PENGIDAP DIABETES MELITUS. *Jurnal Sosio Humaniora*, 4(5).
- Hasan, M. (2018). PENDIDIKAN EKONOMI INFORMAL: BAGAIMANA PENDIDIKAN EKONOMI MEMBENTUK PENGETAHUAN PADA BISNIS KELUARGA? *JEKPEND: Jurnal Ekonomi Dan Pendidikan*, 1(2), 30. <https://doi.org/10.26858/jekpend.v1i2.7262>
- Gomulia, B. (n.d.). Bisnis Keluarga di Bandung Bagaimana Mereka Bertahan-Berlanjut?
- Chandra, H., Program, C., Bisnis, M., Manajemen, S., & Ekonomi, F. (2019). MANAJEMEN KONFLIK DALAM PERENCANAAN SUKSESI PADA PERUSAHAAN KELUARGA PT MITRA INDAH LESTARI (Vol. 7, Issue 1).
- Oktorina, M., Mula, I., Jaya Jl Jenderal Sudirman Kav, A., & Selatan, J. (n.d.). Pengaruh Konflik Pekerjaan dan Konflik Keluarga Terhadap Kinerja dengan Konflik Pekerjaan Keluarga Sebagai Intervening Variabel (Studi pada Dual Career Couple di Jabodetabek).
- Soedirman, U. J. (2012). PENGARUH KONFLIK PEKERJAAN-KELUARGA TERHADAP KOMITMEN ORGANISASI DENGAN KEPUASAN KERJA Ayu Puspitasari. In *JEJAK* (Vol. 5, Issue 1).
- Konflik Keluarga-Pekerjaan, P., Pekerjaan, K., Tekanan, D., Terhadap, P., Kerja, K., Wanita, K., Dhamayanti, R., Kunci, K., Keluarga-Pekerjaan, K., & Pekerjaan, T. (2006). *STUDI PADA NUSANTARA TOUR & TRAVEL KANTOR CABANG DAN KANTOR PUSAT SEMARANG* (Vol. 3, Issue 2). <http://ejournal.undip.ac.id/index.php/smo>
- Program, Y. M., Manajemen, S., Ekonomi, F., & Maranatha, K. (2019). MANAJEMEN KONFLIK PADA PERUSAHAAN KELUARGA (STUDI KASUS PADA PERKEBUNAN X). 18(2), 135–142.
- Namira, Y., Nuhung, A., & Najamuddin, D. M. (2017). ANALISIS FAKTOR-FAKTOR YANG MEMPENGARUHI IMPOR BERAS DI INDONESIA. *Jurnal Agribisnis*, 11(6), 183–201. [www.bi.go.id](http://www.bi.go.id)
- Studi Manajemen, P., & Ekonomi, F. (n.d.). PENGARUH NILAI TUKAR DAN HARGA SAHAM TERHADAP INDEKS HARGA SAHAM GABUNGAN (IHSG) PADA SUB-SEKTOR PERBANKAN PERIODE MASA PANDEMI TAHUN 2020 Anna Clarensia. In *JIMEN Jurnal Inovatif Mahasiswa Manajemen* (Vol. 1, Issue 3). [www.idx.co.id](http://www.idx.co.id)
- Prayogo, G. A., Kodrat, D. S., Bagus, G., & Wiryakusuma, Y. (n.d.). FAKTOR-FAKTOR YANG MEMBENTUK BISNIS KELUARGA BERTUMBUH SECARA BERKELANJUTAN.