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Empirical measurements of firm's growth show the successful persistence of family owned firms. In fact, many empirical studies have shown the presence of extended family members as employees or as business financing sources, particularly in Balkan countries after the dismantlement of the Yugoslav republics and the collapse of communism (Pistrui, Welsch et al. 1997; Poutziouris, O'Sullivan et al. 1997; Douw, Huang et al. 2001; Bartlett, Bateman et al. 2002; Yusheng Peng 2004).

Yet, there has been no attempt to theoretically or empirically qualify the role of other forms of family structures, in business growth. The kinship network is one of them. The kinship network has many definitions but it can be summarized as a group of people sharing the same family lineage. In its anthropological definition, the kinship network includes the nuclear family as well as the extended family. Levi Strauss (1967) found a similarly organised kinship structure in many countries in the southern hemisphere. Doja (1999; 2000) emphasized the importance of kin by alliance together with kin by blood, as the pillar of the Albanian society. On the one hand most of the economic activity is based on private small and medium enterprises (SMEs)(INSTAT 2004/2011; Gassie 2010). On the other hand many studies have shown that the family network is used as a *fluidifier* of transactions at a larger extent than other channels of resources distribution (Bitzenis and Nito 2005; Stampini, Carletto et al. 2008; Leka and Shkurti 2010; King, Castaldo et al. 2011).

Family business studies have evidenced a polyvalent role for family, in managerial terms. Colli and Rose (2008) state the hypothesis that family firms emerge in times of uncertainty. The extended family, or kinship network, can get involved in the form of a business partnership, or employment of a family member, or use of a family network to find customers, raw materials, etc. (Poutziouris, Smyrniotis et al. 2006). In an empirical study, Kristiansen (2004) explains that the businessmen's social networks have a particular importance in business development in developing countries. Amongst other social networks he recognizes the role of the family as a safety net against a high risk business environment and lengthy bureaucratic processes. The main research question in this article is on the role of family in a transition economy. The lack of research on the particular issue of the influence of family on small firm growth within the transition to the market economy framework motivates this article. The reasons for the void in this area relate firstly to the non-economic nature of a socio-anthropological concept such as family and secondly to methodological difficulties. In effect, empirical research has shown the difficulties of capturing the measureable effects of family influence on firm's growth and in formalising its impacts.

The research objectives of this article are threefold. Firstly, the purpose is to find an analytical background that allows taking into account the economic and social factors of small and medium firms growth. The second objective is to test an empirical model incorporating the kinship network as a factor of SME development in a transition country. The final objective is to draw conclusions on the inclusion of social factors in SME development policies.

The three research objectives of this article are developed in three sections starting with a review of the recent research work on the area on which a socio-economic model is built. The latter is tested through a World Bank dataset (Living Standards Measurement Study) following a rigorous methodology presented in Section Two. Results and implications are discussed in the last section of the article.

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Curriculum vitae

Qualifications

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Articles publiés

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Résumé de la communication

Economic activities are considered as embedded in the social structure by many sociologists. Not very often though, is there a measurement of the foundation of the traditional social structure, the family network, on business performance by economists themselves. It is the aim of this article to identify and quantify the involvement of the family network in providing various economic resources. Starting with a small firm's growth model, the model in this article includes family network indicators in Albania. The contrast is drawn between the performance of small and medium enterprises with and without family intervention. The article presents alternative concepts of analysis and empirical considerations.