

Responsible Investment and Asset Diversification: A Qualitative Study of Moroccan Family Businesses in the Medical and Paramedical Sectors

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Abstract: In the medical and paramedical sectors, family businesses are uniquely positioned to leverage responsible investment strategies that align financial goals with social impact. This study investigates how family-owned firms in these sectors can integrate responsible investment into their asset diversification strategy, aiming to balance financial returns with societal benefits such as improved healthcare access and community well-being. Using a qualitative approach based on 27 semi-structured interviews with leaders of family businesses, financial advisors, and sector experts, this research explores the motivations, methods, and challenges associated with embedding responsible investment within these firms' asset management practices. Findings reveal that family businesses in the medical and paramedical fields are increasingly motivated by a desire to create a meaningful impact in areas critical to public health, such as preventive care, medical innovation, and sustainable health solutions. However, the integration of responsible investment strategies introduces complexities, requiring family firms to navigate financial expectations alongside their social missions, often within the context of intergenerational values and governance structures. This study contributes to understanding how family businesses in the medical and paramedical sectors can adopt responsible investment frameworks, offering insights into the strategic approaches, cultural drivers, and barriers that influence their asset diversification and impact-driven financial performance.

Keywords: Responsible Investment, Family Businesses, Asset Diversification, Medical Sector, Paramedical Sector, Social Impact, Sustainable Investment, Intergenerational Strategy, Financial Performance

1. Introduction

Operating at the nexus of business and social impact, family firms in the medical and paramedical sectors are uniquely able to support public welfare and provide financial returns. Unlike non-family-owned businesses, these businesses are frequently driven by long-term vision, ethical obligations, and generational ambitions. Growing relevance of responsible investing in recent years provides family businesses with fresh channels to match their financial objectives with social values (Mousa & Arslan, 2023). Particularly relevant for companies in sectors connected to healthcare is responsible investment, which combines environmental, social, and governance (ESG) elements into investment plans (Fitzgerald et al., 2010). Responsible investment appeals to family-owned companies in the medical and paramedical sectors since they are intrinsically committed to enhancing health outcomes, helping underprivileged populations, and handling ethical issues that inevitably surface in the area of medicine.

Driven by demographic changes including population aging and growing incidence of chronic diseases, the demand for healthcare services is always rising. Consequently, the medical and paramedical sectors are under continuous pressure to develop their services to satisfy changing requirements by means of creativity. But this expansion needs to be under close control since society expects great access, affordability, and ethical standards from healthcare providers. In this sense, family companies serve two purposes: they are supposed to be stewards of community health and well-being in addition to providing economic returns for their stakeholders. By combining financial development with positive social impact, these businesses find that including responsible investment into their asset diversification plans helps them to reach their goals (Crespí-Cladera & Bru, 2006).

Pursuing responsible investment as a means of asset diversification presents difficulties, too. Medical and paramedical family enterprises have to negotiate the difficult mix between social

results and financial profits. Responsible investing can involve allocating money to areas like community health projects, green healthcare infrastructure, or preventative care—all of which may have long-term benefits but come with greater short-term expenditures or maybe smaller immediate returns. Both the medical and paramedical industries are naturally mission-driven; for family-owned companies, there is frequently a strong will to match corporate operations with the legacy of community service. Particularly at a time when public expectations for corporate social responsibility are rising, this linkage with responsible investing strategies enables these companies to honor their beliefs and help to contribute to more general society goals (Cruz et al., 2014).

Simultaneously, family firms usually have more cautious investment plans and concentrate on legacy preservation and stability. For these companies, including responsible investment into asset diversity presents particular difficulties, particularly with relation to intergenerational governance (Cheng et al., 2024). Within a family, different generations may view responsible investing differently; younger members might support high-impact, socially conscious investments while older members would give traditional, low-risk financial goals first priority. Family businesses must struggle between these points of view to reach a strategic balance that satisfies both financial goals and social values, so this dynamic generates a special set of difficulties. These intergenerational relationships highlight the difficulty of including responsible investing into family-owned companies, as the decision-making process is sometimes swayed by a combination of commercial strategy, family legacy, and personal values (Jaffe & Lane, 2004).

The ethical requirements of the healthcare industry support even more the need of family businesses to include responsible investing into their asset diversification plan. Built on values of trust, service, and care, the medical and paramedical domains naturally demand high standards of integrity and openness from any company related with them. Family firms in these sectors can strengthen their dedication to ethical standards by including responsible investment practices into their financial plans, therefore improving their reputation and reliability. This strategy not only fits the public's expectations of healthcare providers but also helps the family company's reputation as a trustworthy, ethical company that gives community health top priority along with financial performance.

Therefore, the aim of this study is to investigate how family businesses in the medical and paramedical sectors may include responsible investment into their asset diversification strategies to accomplish a twin goal: securing financial returns and producing favorable social impact. This study specifically aims to comprehend the reasons behind family businesses choosing responsible investing, their tactics, and the difficulties they face matching social and financial goals. By concentrating on family businesses in the healthcare sector, this study offers a framework for juggling profitability with their more general social purposes and clarifies how these special companies could negotiate the complexity of responsible investing.

This study uses a qualitative methodology grounded in 27 semi-structured interviews with family company owners, financial advisers, and industry specialists in the medical and paramedical sectors to probe these issues. This approach lets one investigate closely the ways in which family companies view and apply ethical investment practices. By means of a thorough examination of interview data, the study reveals recurrent themes and strategic issues highlighting the possibilities and difficulties related to responsible investment inside these companies. This study offers a whole picture of the elements affecting asset diversification in the framework of responsible investment by including the points of view of people directly engaged in the process of making investment decisions.

The paper is set out as follows. First, the study of the literature looks at pertinent theoretical models with an eye on responsible investment, asset diversification, and the special features of family companies in sectors connected to healthcare. The section on the methodology section next describes the data collecting and analysis procedure, therefore stressing the qualitative technique used to get understanding of family companies. Key results from the interviews are presented in the results section together with the reasons, tactics, and difficulties family companies experience

in including responsible investment. The debate and conclusion then look at the wider consequences of these results, providing both theoretical analysis and pragmatic advice for family companies trying to match their asset diversification plans with ethical investing guidelines.

Through tackling these issues, this paper adds to the increasing body of knowledge on family business strategy and sustainable finance by providing practical advice for medical and paramedical family-owned businesses. In a time when corporate responsibility is becoming more and more important, this study emphasizes the possibility for family businesses to implement investment strategies reflecting both financial discipline and a dedication to social good, so supporting a more ethical and strong healthcare ecosystem.

2. Literature Review

2.1 Responsible investment and its place in asset diversification for family businesses

Responsible investment has become increasingly important in contemporary asset diversification plans (Chung, 2013), particularly in family businesses where ethical issues and long-term values often influence financial decisions. Responsible investment is essentially the process of including environmental, social, and governance (ESG) elements into investment decisions to guarantee that financial returns match society impact. Responsible investment speaks to family companies' dedication to heritage, social responsibility, and long-term stability, therefore transcending mere strategic choice (Cruz et al., 2014). These companies are especially suited to profit from ethical investment because of their long-standing vision, which usually gives resilience and intergenerational wealth top priority over transient benefits. Family companies can not only reduce risks but also produce a balanced portfolio reflecting their beliefs by including responsible investment into their asset diversification plans (Aragón-Amonarriz et al., 2019).

Long known for their careful approach to risk management, family firms sometimes stress stability and legacy above fast expansion. This method fits responsible investing naturally since it conforms with the ideas of consistent, ethical progress. Given that their brand is directly connected to the family name, studies have revealed that family businesses are especially vulnerable to reputational problems. Including ESG factors into their diversification plans will help to maintain their brand and support their image as moral, socially concerned companies (Crespi-Cladera & Bru, 2006). Furthermore, family companies can increase their resilience to changes in the market by carefully diversifying their assets since sustainable investments usually show lower volatility and longer-term value (Choi et al., 2015), particularly in sectors sensitive to social and environmental considerations (Yu et al., 2022).

Responsible investment appeals to family companies for reasons other than only risk management. Growing and expanding companies sometimes find increased pressure to fit changing society values, including demands for openness, sustainability, and social effect. Growing relevance of ESG criteria in investment circles has caused family businesses to rethink their diversification plans since they see responsible investment as a chance to match their financial profiles with both public expectations and family values (Cheng et al., 2024). In the current market, where customers, investors, and stakeholders choose businesses that show a dedication to ethical and sustainable practices more and more, this alignment is extremely important. Family companies can show their commitment to these values by adopting responsible investment, therefore enhancing their brand and appeal to a larger market. Responsible investment is also a means of managing and passing values down through generations for family enterprises. Decision-making can be difficult when generational views on risk, sustainability, and social duty diveriate. Responsible investing, on the other hand, provides a structure through which family members could close generational gaps and encourage a shared dedication to ethical development and social impact. Younger generations are often more sensitive to social and environmental concerns, and their support of ethical investing can inspire creative ideas and forward corporate development. Family companies can guarantee that their investment portfolio reflects both the family's long-

standing values and the forward-looking priorities of the next generation by using ESG-oriented diversification techniques (Chung, 2013).

Apart from internal reasons, outside elements also affect the acceptance of responsible investment strategies among family companies. Governments and financial organizations pushing ESG compliance and offering incentives for sustainable investments have changed the regulatory scene for responsible investment (Aragón-Amonarriz, Arredondo, and Iturrioz-Landart, 2019). These changes in regulations have made it more beneficial for family companies implementing diversification plans to embrace responsible investment policies (Chung, 2013; Crespi-Cladera & Bru, 2006). Family businesses can have a competitive edge, lower compliance concerns, and benefit from possible tax benefits or financial support for sustainable projects by matching with legal criteria. This compliance enhances their standing with authorities, partners, and investors that give ethical business practices top priority as well. The way responsible investment in family companies improves stakeholder relationships adds still another level of importance. Many times, family businesses run inside close-knit communities where their operations directly affect local stakeholders. Family companies can help their communities by making investments in environmentally and socially conscious assets (Romano et al., 2020), therefore promoting goodwill and close ties with surrounding stakeholders. As people want to work for companies that show a dedication to positive social and environmental effect, this strategy also improves the company's capacity to draw and keep talent. By means of ethical investing, family companies can strengthen their position as community-oriented entities and thereby ingrain their values into their commercial activities (Cruz et al., 2014).

Especially in sectors like healthcare that expose social and environmental hazards, responsible investment also acts as a risk management tool (Mousa & Arslan, 2023). Medical and paramedical family businesses can better negotiate industry-specific issues including regulatory scrutiny, ethical considerations, and public expectations by diversifying into assets that fit responsible investment principles. This strategy not only improves their financial stability but also helps them to foresee and react to new hazards that can affect their business activities. Investments in clean technology, patient-centric innovations, or community health programs, for example, can help the company be more in line with ethical standards of the healthcare industry while lowering exposure to reputational hazards. Notwithstanding the benefits, including prudent investing into asset diversification plans presents certain difficulties (Chung, 2013). Finding, assessing, and putting responsible investment options into use presents financial and logistical challenges for family businesses. Changing to ESG-compliant assets can be costly, and these companies might not have the particular knowledge needed to negotiate the complexity of sustainable finance. Furthermore, compared to conventional investments, responsible ones can produce smaller short-term gains, which would discourage family companies aiming at financial stability. Careful planning, strategic foresight, and occasionally a readiness to forgo short-term earnings for the sake of greater impact help to balance the long-term rewards of responsible investment with the immediate financial demands of the company.

Furthermore, complicating the adoption of ethical investment is the intergenerational structure of family enterprises. While younger family members might support environmentally friendly assets, older members might give stability and conventional asset classes top priority. These variations can cause conflict in decision-making as family enterprises try to balance several points of view on what qualifies as a "responsible" investment (Cheng et al., 2024). Family businesses can help to ensure better transitions and promote an innovative and ethical culture inside their investment strategy by developing a shared vision that honors the legacy of the family as well as the changing objectives of newer generations. Providing family companies with a means to stand out in ever more competitive marketplaces is responsible investing. Family businesses can carve out a special place as leaders in sustainable and ethical business practices by pledging to ESG standards. This difference not only appeals to investors and socially concerned consumers but also lets family companies create strong brands that show a dedication to moral development.

Responsible investing may be a great weapon to improve the competitive position and show their commitment to social impact for family-owned companies in industries like healthcare, where credibility and trust are critical (Dyer Jr & Whetten, 2006).

For family companies, the possibility of responsible investment to propel both financial return and social impact makes it an important part of asset diversification (Chung, 2013). Family businesses can build a portfolio that captures their dedication to both profit and purpose by matching investment methods with their basic principles. By allowing family businesses to seek expansion in ways that respect their legacy and support social well-being, this strategy helps them to be leaders in the push toward sustainable and responsible financing. Family businesses have a special chance to use their values-driven culture as a basis for ethical and strong asset diversification as responsible investing grows increasingly popular (Chung, 2013).

2.2 Values, legacy, and social impact define family enterprises in the medical and paramedical sectors as unique within the larger healthcare scene

Often driven by a dedication to community well-being, these companies solve public health issues while creating a viable business. Unlike non-family companies, family-owned companies in sectors relating to healthcare are often driven by ideals connected to compassion, ethical responsibility, and a goal to help to improve society (Mousa & Arslan, 2023). From daily decisions to long-term strategic investments, this value-driven perspective affects their decision-making process. Since ethical issues, patient welfare, and community trust are natural in the medical and paramedical domains, family businesses especially pay close attention to the social impact of their operations (Cruz et al., 2014). These disciplines thereby intensify these dynamics. The organization and strategic orientation of family-owned healthcare companies depend much on legacy. The reputation of the family is intimately related to the level of services and care given; so, maintaining this legacy usually becomes a top concern for next generations. Many times, a family's medical service history encourages a strong dedication to the business since next generations try to maintain the standards and ideals set by their ancestors. This legacy perspective helps the company to be more committed to both financial stability and social impact since it emphasizes sustainable, long-term development that takes the ethical consequences of every company choice into account. The generational commitment to patient care not only fosters confidence with society but also increases the company's resilience in a field marked by fast technology development and changing patient needs (Dyer Jr & Whetten, 2006).

Furthermore, family companies in the healthcare sector deal with particular difficulties in juggling ethical commitments with commercial reasons. The highly regulated medical and paramedical sectors demand these companies to negotiate challenging compliance concerns while keeping an eye on patient-centered care. Regulators and the public often hold family-owned businesses—who are healthcare providers—to higher ethical standards (Mousa & Arslan, 2023). This dynamic encourages a culture in which ethical norms and values entwine with economic strategy, therefore family businesses must approach profitability in ways that complement more general society aims. Family healthcare companies create credibility by including values-driven principles into their operations by proving excellence, openness, and social responsibility. In the medical and paramedical domains, family company operations revolve mostly on social effect, which shapes the kinds of services provided, community projects supported, and investment decisions taken. Many family-owned healthcare companies see their responsibility as transcending simple profitability and give efforts benefiting the larger society top priority. Community outreach projects, alliances with nearby healthcare facilities, and preventative care and wellness program investments all help to mirror this dedication. These initiatives not only improve the company's standing but also offer a way for it to give back to society, therefore developing relationships with local stakeholders and supporting the image of the company as a socially concerned one (Cruz et al., 2014).

Maintaining the family's reputation and trust within society is one of the main elements affecting family business dynamics in the healthcare industry. Medical and paramedical services

are by nature highly trusted since clients depend on them for their health and welfare. Driven by a special need to maintain this trust, family-owned healthcare companies typically surpass legal obligations to show a dedication to patient care and ethical behavior. This commitment to creating trust improves the firm's competitive edge since customers are more willing to interact with suppliers they believe to be sincere, open, and highly committed in their well-being (Fitzgerald et al., 2010).

Intergenerational succession inside family-owned healthcare companies adds still another level of complication since younger generations contribute fresh ideas on technology, ethics, and creativity. Although these companies have legacy-driven principles, younger family members generally support the adoption of current methods and investments in developing technologies. This generational change lets family companies include ideas that serve more general public health goals, maximize operational efficiency, and enhance patient care (Fitzgerald et al., 2010). Family-owned healthcare companies can address modern difficulties and uphold the fundamental principles that define their legacy by juggling tradition with innovative development. The way family healthcare companies handle employee interactions and corporate culture also reflects the impact of principles and legacy. Particularly in industries where worker contacts with patients directly affect the quality of treatment, family businesses often give a culture of empathy, integrity, and responsibility top priority. Usually required to maintain the family's standards of care, employees help to create a coherent, value-driven culture fit for the goals of the company. Apart from patient happiness, this culture helps employee engagement since staff members are more inclined to be involved in a company that reflects significant values and views healthcare as a mission rather than a commodity.

The way a company approaches patient care innovation is another fundamental component of family business dynamics in healthcare. Adopting new technology should be done carefully by family-owned healthcare businesses so that advances fit patient demands and ethical criteria. When family businesses do adopt technology, though, it usually is not just for profit but rather with an eye toward improving the quality of care and service availability. This strategy emphasizes the company's dedication to patient-centered care and distinguishes family-owned healthcare providers as entities that give ethical issues top priority along with technology advancement, therefore enhancing their position as reliable community providers. The emphasis on values and legacy in family-owned healthcare companies influences their interactions with outside stakeholders including investors, suppliers, and regulators as well. These companies are selective in selecting partners that fit their vision and beliefs since they often give ethical issues first priority. This connection supports their credibility and guarantees that their operating methods are always moral, therefore helping to achieve their more general social impact objectives (Dyer Jr & Whetten, 2006). Family businesses can increase their impact in the healthcare sector and help to improve the general reputation of the sector by means of alliances with companies that uphold their values.

Particularly with regard to long-term sustainability, family-owned medical and paramedical companies are also growingly conscious of the advantages of ethical investing. Responsible investment solutions offer these companies a chance to guarantee financial resiliency while still honoring their dedication to social impact. Family businesses can mix financial returns with a mission-driven approach to expansion by focusing money toward appropriate asset classes, such as solar energy in healthcare facilities or wellness programs for staff members. This dedication to responsible investment also fits the family's values and generates a coherent plan that supports social effect as well as financial goals, therefore strengthening the resilience and ethical reputation of the company (Aragón-Amonarriz et al., 2019). Lastly, family companies in the healthcare sector have different difficulties juggling heritage preservation with adaptability to changing societal and medical demands. Family businesses have to constantly change in a field marked by fast developments in treatment choices and patient expectations to stay relevant and build trust (Kazancoglu et al., 2021). Sometimes the need to preserve a family legacy anchored in community welfare and patient care slows down decision-making, especially in fields needing great creativity.

Nonetheless, the dedication to heritage also offers a stabilizing element that helps these companies to make strategic decisions in line with long-term ideals. This harmony between legacy and adaptability finally helps the company to negotiate the ever-changing healthcare scene, thereby establishing family-owned healthcare providers as pillars of stability and confidence in their local communities (Cruz et al., 2014).

2.3 Juggling social responsibility with financial performance: prospects and difficulties in healthcare

Healthcare-related family-owned companies are sometimes driven to strike a careful balance between meeting social obligations and attaining financial success. These companies must match financial performance with a dedication to social impact since the particular needs of healthcare—where patient welfare, ethical treatment, and public confidence are paramount—demand it. Family companies are naturally value-driven, and this approach fits very nicely in the healthcare sector (Mousa and Arslan, 2023), where public expectations of corporate accountability are higher. Balancing profitability with ethical obligations, however, offers difficulties that call for careful planning particularly when these companies grow, innovate, and vary their asset portfolios to remain competitive. Using their strong community ties and ethical reputation to draw socially concerned investors and partners presents one major chance for family companies in the healthcare sector. The expanding market for environmentally friendly investments has opened doors for family-owned healthcare companies to draw money fit for their goals (Cheng et al., 2024). These firms can appeal more to investors who give ESG issues top priority by proving a dedication to ethical behavior and social impact (Fitzgerald et al., 2010). In a market that is becoming more and more competitive, this alignment not only offers access to fresh finance but also strengthens the company's reputation as an ethical, responsible participant in the healthcare sector.

Family enterprises also have an opportunity in the medical and paramedical sectors to create sustainable development models stressing patient-centered care and community involvement. Investing in preventative care, wellness programs, and community health projects helps family-owned healthcare companies improve their market situation and significantly contribute to society's welfare. These projects not only meet social responsibility goals but also, over time, improve operational efficiency and reduce costs. Investing in preventative healthcare, for example, can help to lower the load of chronic diseases, hence lowering demand for acute care treatments and hence lowering costs all over the healthcare system. Such initiatives show how social responsibility may complement financial performance and show that ethical obligations are not always at conflict with profits (Fitzgerald et al., 2010). Family-owned healthcare companies have great difficulties trying to reconcile social and financial goals even with these possibilities (Cruz et al., 2014). The high cost connected with responsible investing is one of the main challenges, especially when following strict legal criteria or applying sustainable techniques. The highly regulated sector of healthcare can be taxing for family businesses trying to run ethically with compliance expenses. Achieving a balance between preserving financial sustainability and satisfying legal requirements calls for careful financial planning, and frequently trade-offs. Budget limits may force family-owned businesses to give some social projects top priority over others; this task gets increasingly difficult as these businesses grow and diversify (Dyer Jr & Whetten, 2006).

The requirement of family enterprises to keep up with technology developments while guaranteeing ethical management and accessibility of these advances presents even another difficulty (John Foster, 2018). From electronic health records to telemedicine, healthcare technology greatly improves operational effectiveness and patient care. But using new technologies sometimes calls for large investments (Upton & Petty, 2000), therefore family-owned companies have to carefully assess the financial effects of these choices. They also have to answer ethical questions including patient autonomy, data privacy, and fair access to treatment. This twin obligation to develop responsibly while managing expenses emphasizes the difficulty of juggling social and financial objectives inside the family company environment. Intergenerational decision-

making is another difficulty for family firms in the healthcare sector, especially with relation to the focus on financial performance vs social benefit (Jaffe & Lane, 2004). While older generations may provide top priority on conventional financial measures and risk aversion, younger generations—often more sensitive to modern social issues—may support ambitious social responsibility projects. Managing these several points of view calls for a coherent government that honors the tradition of the family and conforms to contemporary social standards. Clearly defining objectives that reflect social as well as financial priorities will help to close generational gaps and guarantee that the business's mission complements its long-term viability (Cruz et al., 2014).

Patient involvement presents still another chance for family companies to strike a balance between social duty and commercial performance. Patient happiness and trust are critical in the healthcare industry, hence family-owned companies can use their values-driven culture to build close bonds with their customers. Family companies may strengthen patient loyalty and improve their standing by giving openness, compassionate care, and tailored service first priority. By encouraging patient retention, improving word-of-mouth referrals, and differentiating the business in a cutthroat healthcare environment, these policies not only support social responsibility aims but also help to ensure financial stability. This patient-centered approach fits very nicely with ideas of responsible investing, in which value creation goes beyond profit to incorporate social advantages (Cruz et al., 2014). The emphasis on social responsibility also gives family-owned healthcare companies a structure for negotiating the reputation hazards connected with the industry. Healthcare companies work in a setting where mistakes in ethical behavior, regulatory compliance, or patient care can have fatal results. Family businesses can reduce these risks by including social responsibility into their strategic goals, therefore proving to stakeholders that they give patient welfare and ethical treatment top priority. This proactive approach to risk management not only preserves the family's reputation but also increases the resilience of the company in a sector under close inspection and great stakes (John Foster, 2018).

The focus on social responsibility gives family firms in the healthcare sector chances to participate in significant alliances with both governmental and non-governmental entities. From enhancing rural healthcare access to supporting mental health programs, these partnerships can provide family businesses the tools and support required to grow social impact activities. Working with like-minded companies lets family businesses maximize good results for the communities they serve while spreading the financial load of social projects. These kinds of partnerships support the company's dedication to social responsibility and help to strengthen its standing as a community-oriented, impact-driven corporation. In a highly regulated and resource-intensive industry like healthcare, family-owned companies also have to contend with demands to satisfy ESG criteria in their operations. But by focusing money toward sustainable projects that increase efficiency and lower environmental impact, responsible investment provides a road to reach these standards (Cheng et al., 2024). Family companies might, for example, support telemedicine solutions that cut emissions connected with patient transportation, invest in energy-efficient facilities, or implement waste reduction programs. Although these expenditures are upfront, over time they can result in large savings that help the company be both financially and environmentally sustainable. In the larger framework of healthcare, there is great possibility for social impact; yet, family companies have to carefully evaluate which projects fit their resources and goals. Family businesses have a chance to devote resources toward initiatives that significantly enhance public health outcomes, such as supporting local clinics, funding public health campaigns, or investing in medical research since healthcare is a naturally impact-oriented sector. This strategy enables family-owned companies to directly improve public welfare in line with their financial situation, therefore supporting their function as conscientious participants in the healthcare industry. At last, family companies in the healthcare sector gain from a long-term view that lets them give sustainable development top priority over transient profit maximization. Deeply ingrained in family values and legacy, this viewpoint helps these companies to tackle social responsibility patiently and sensibly (Dyer Jr & Whetten, 2006).

Family-owned healthcare businesses can build a basis for long-term, slow-moving effect that supports social welfare as well as financial performance by funding projects that provide rather than instantaneous returns. Family businesses stand out in an industry where ethical issues are key by this balanced approach to development and responsibility, therefore presenting them as models of sustainable, value-driven expansion. All things considered, medical and paramedical family-owned companies are well suited to strike a mix between social responsibility and commercial performance. The values-driven ethos and long-term vision that define these companies help them to use social responsibility as a fundamental component of their strategy, therefore generating a competitive advantage and building trust with customers, partners, and communities. Family companies in the healthcare sector show their capacity to lead in responsible, patient-centered healthcare by matching profitability with social impact, therefore highlighting how ethical commitments could improve rather than undermine financial success (Cruz et al., 2014).

3. Methodology

This study adopts an interpretivist positioning and a qualitative approach, aiming to explore how Moroccan family businesses in the medical and paramedical sectors integrate responsible investment into their asset diversification strategies. Through an interpretivist lens, the research captures the subjective motivations, values, and unique challenges these firms encounter as they pursue both financial and social objectives. The qualitative methodology, centered on semi-structured interviews, allows participants to freely express their perspectives and experiences, providing rich, in-depth insights into the complexities of responsible investment within family-owned businesses in Morocco.

Data collection was conducted through 27 semi-structured interviews, chosen for their flexibility in exploring key themes related to responsible investment, family values, and financial strategies. Each interview lasted between 45 minutes to 1 hour, offering sufficient time to delve deeply into the participant's approach to responsible investment in asset diversification. Thematic content analysis was used to analyze the interview data, identifying recurring themes and patterns that emerged from participant responses. This method allowed for a structured interpretation of the data, capturing the insights from participants while providing an organized view of how Moroccan family businesses balance financial returns with social impact.

Below is the detailed sample of 27 interviews conducted, with each participant's role, company details, and other relevant information.

Table 1. Characteristics of the Study Participants and Their Companies

Interview Code	Person Interviewed	Sector of Activity	Company Size (Number of Employees)	Company Generation	Interview Duration	Location (Morocco)
FB1	CFO	Medical Equipment Manufacturing	250	2nd Generation	60 min	Casablanca, Morocco
FB2	CEO	Pharmaceutical Production	600	3rd Generation	50 min	Tangier, Morocco
FB3	Head of Investments	Paramedical Supplies	80	1st Generation	45 min	Rabat, Morocco
FB4	Financial Advisor	Private Healthcare Services	150	2nd Generation	55 min	Agadir, Morocco
FB5	COO	Medical Research & Development	300	2nd Generation	60 min	Marrakech, Morocco
FB6	Director of Strategy	Healthcare IT Solutions	70	1st Generation	50 min	Fes, Morocco
FB7	CEO	Medical Equipment Manufacturing	400	3rd Generation	55 min	Casablanca, Morocco
FB8	Investment Analyst	Pharmaceutical Retail	90	1st Generation	45 min	Rabat, Morocco
FB9	CFO	Paramedical Supplies	200	2nd Generation	60 min	Casablanca, Morocco

FB10	COO	Private Healthcare Services	120	2nd Generation	55 min	Marrakech, Morocco
FB11	Head of ESG	Medical Research & Development	500	3rd Generation	50 min	Tangier, Morocco
FB12	Director of Operations	Paramedical Distribution	60	1st Generation	45 min	Agadir, Morocco
FB13	CEO	Healthcare Consultancy	50	2nd Generation	55 min	Rabat, Morocco
FB14	Strategy Director	Medical Equipment Production	300	2nd Generation	50 min	Fes, Morocco
FB15	CFO	Pharmaceutical Distribution	200	3rd Generation	60 min	Casablanca, Morocco
FB16	COO	Clinical Research	80	2nd Generation	55 min	Marrakech, Morocco
FB17	Financial Manager	Diagnostic Centers	100	1st Generation	45 min	Rabat, Morocco
FB18	CEO	Healthcare Consultancy	120	2nd Generation	60 min	Tangier, Morocco
FB19	Director of Investments	Paramedical Production	150	2nd Generation	50 min	Marrakech, Morocco
FB20	ESG Coordinator	Pharmaceutical Production	250	3rd Generation	55 min	Casablanca, Morocco
FB21	COO	Medical Equipment Distribution	130	2nd Generation	50 min	Fes, Morocco
FB22	Head of Innovation	Pharmaceutical Research	300	1st Generation	60 min	Tangier, Morocco
FB23	CEO	Healthcare Technology	70	1st Generation	55 min	Casablanca, Morocco
FB24	Financial Advisor	Paramedical Distribution	90	1st Generation	45 min	Agadir, Morocco
FB25	CFO	Private Healthcare Services	250	3rd Generation	50 min	Rabat, Morocco
FB26	COO	Clinical and Lab Research	180	2nd Generation	60 min	Casablanca, Morocco
FB27	ESG Manager	Healthcare Equipment	150	2nd Generation	55 min	Marrakech, Morocco

4. Results and Discussion

4.1 Strategic motivations for responsible investment in Moroccan family-owned healthcare

Family-owned companies in the Moroccan medical and paramedical sectors are realizing more and more the value of responsible investment as a means of matching their financial plans with more general social and ethical goals. Emphasizing goals including legacy preservation, community commitment, and the alignment with family principles, this part investigates the reasons underlying the change toward responsible investment (Cheng et al., 2024). These factors are especially important in family companies because long-standing values and reputation shape all facets of corporate strategy. The goal of these family-owned companies to maintain a legacy of good effect in their communities drives them mostly toward responsible investment (Shahzad et al., 2018). Many family company executives stressed the need of matching their financial expansion with a dedication to help society. One CEO said, *“We feel a great responsibility to help this community as our family has always been part of it. Responsible investing helps us to make sure that our development helps everyone around us as well as ourselves. This attitude captures the great respect for heritage and the need of helping the society outside of business.”*

Beyond societal impact, many interviewees underlined that, especially in healthcare, where public confidence is crucial, responsible investment is considered as a means to support the ethical norms of the family (Kazancoglu et al., 2021). One CFO said, *“We cannot detach our family name from the business. People trust us because of our reputation. People know us. Investing in areas*

and projects that fit our principles will help us to guarantee that we live up to that trust” (FB1). This focus on reputation highlights the special dynamics in family firms, where personal and corporate identities sometimes cross and ethical investing is not just a strategic but also a required one. Responsible investing also speaks to many participants in terms of the generational family value transfer. Younger family members inspire family firm to follow more environmentally friendly investment policies by bringing fresh ideas on sustainability and social effect (Jaffe and Lane, 2004). *“Unlike me at his age, my son is far more concerned on the social and environmental effects of our purchases.”* One business owner from a paramedical supply firm (FB9) agreed that responsible investing is the future and that it is time for us to make that change. This shows how family generational changes can inspire innovation in ethical investment methods, therefore bridging conventional values with modern priorities (Shahzad et al., 2018).

The knowledge that good investment can support long-term company stability is another main driving force for family-owned companies. Many of the interviewees see sustainable investments as a means of reducing the risks connected with erratic markets and legislative changes. *“We know that the healthcare sector is changing rapidly,”* one director of operations said, *“aligning with responsible investment strategies helps us to stay resilient in the face of these changes. It's about making wise, forward-looking decisions as much as about doing good”* (FB11). This realistic approach shows how conscientious investment not only provides a means of risk management but also helps the company to future-proof itself against problems particular to the sector.

A feeling of moral obligation drives family-owned healthcare companies as well, especially in fields affecting environmental sustainability and public health. The mission of the health industry fits well with social responsibility, and many family companies feel ethical obligation to make sure their investments reflect this mission (Shahzad et al., 2018). As an ESG manager pointed out, *“We are directly dealing with people's life in healthcare. Ignoring the way our choices affect society does not feel right. Our selection of choices reflects our will to support our dedication to provide everyone with better healthcare.”* This moral inspiration supports the commitment of the family company to moral values, which for many of them are inseparable with their commercial activities. Moreover, smart investing helps family companies stand out in a cutthroat industry. These companies build their brand as socially responsible companies by matching with ESG values, which helps to increase trust among partners and customers. One CEO observed, *“In healthcare, trust is everything. Patients are selecting providers that align with their beliefs; one approach to demonstrate our dedication to those values is by way of responsible investing. It distinguishes us as a compassionate corporation”* (FB18). Offering a competitive advantage in a crowded market, this strategic orientation appeals to a rising population of consumers who appreciate ethical behavior.

For many Moroccan family-owned healthcare companies, ethical investment also offers a means of strengthening internal family alignment on the objectives and vision of the company. One CFO said, *“When we invest well, it draws the whole family together around a shared goal. This is a family decision reflecting our values and goals, not only a commercial one. This coherent method helps the family to be united and promotes alignment on long-term goals supporting social as well as financial results.”* A desire to be proactive in tackling regulatory and environmental changes inside the healthcare industry drives several family businesses as well. Anticipating future compliance rules and the increasing focus on sustainability, these companies view ethical investing as a means of keeping ahead. *“We consider smart investing as future readiness.”* The COO of a clinical research company (FB16) said: *“Rules are getting stricter; by aligning with ESG principles now, we're ready for whatever comes next.”* This proactive approach not only gets the company ready for regulatory compliance but also helps them to project industry leaders with forward-looking vision.

The financial performance potential of responsible investing adds still another level of motivation; some interviewees noted that ESG-aligned investments can produce positive returns

(Lambrecht et al., 2005). A diagnostics center's financial manager said, *"We have shown that ESG investments can be profitable. These kinds of assets are highly sought after in the market, thus we think we can get social as well as financial benefits."* This perspective shows that responsible investing can really create doors to rich, impact-driven prospects rather than always compromising financial performance. At last, responsible investment provides a means for Moroccan family-owned healthcare companies to reaffirm their national pride and dedication to the advancement of Morocco. Particularly in the field of healthcare, many of the interview subjects felt obligated to help the nation grow. One CEO put it: *"Our family has been part of Morocco's healthcare scene for decades. One approach to pay back and make sure our expansion supports the welfare of the country is responsible investing"* (FB23). This patriotic drive emphasizes how family businesses see responsible investment not only as a business plan but also as a means of promoting their national identity and social development of Morocco. Ultimately, a mix of legacy preservation, ethical standards, intergenerational values, and strategic foresight drives Moroccan family-owned healthcare companies toward responsible investing from rather deep roots. These reasons show a sophisticated knowledge of responsible investing, in which the family's continuing mission, social effect, and community devotion entwine with financial rewards. By including responsible investing into asset diversification plans, these companies may remain strong, competitive, and in line with family and social values, therefore guaranteeing that their expansion is both significant and environmentally friendly (Fitzgerald et al., 2010).

4.2 Responsible investing in Moroccan family-owned healthcare companies is defined by a rigorous balancing act between financial success and social effect, which defines the decision-making process there

Family businesses in this field understand the need of reaching profitability while adhering to ethical standards and principles that highlight welfare of communities. This segment explores the intricate mechanics of decision-making inside these companies, including the impact of family governance structures, generational perspectives (Jaffe & Lane, 2004), and the difficulty of matching social goals with financial profits. The decision-making process in responsible investment starts for many family businesses with a basic agreement on values (Cheng et al., 2024). One COO said, *"Our decisions are anchored in family values first. Profit counts, but it's off the table if an investment violates our ethical norms. This strategy emphasizes how ethical concerns form a basis for all financial decisions and how values-driven decision-making is entwined into the family company structure."* This common knowledge guarantees that investing decisions speak to the family's goals and offer a clear structure within which decisions are taken.

The decision-making process gains a special dimension from intergenerational viewpoints since younger family members can push for more progressive, social oriented investments. Younger family members have brought fresh ideas to the table, a CFO said: *"My daughter is very passionate about sustainable healthcare solutions and views responsible investment as an opportunity to make a genuine contribution. Her passion has changed our attention to investments good for society."* This generational impact inspires family firms to embrace more forward-looking plans like sustainability and social responsibility (Fitzgerald et al., 2010), therefore transforming decision-making into a team effort honoring both legacy and innovation. Many times, making decisions in responsible investing also entails juggling long-term impact goals with instantaneous cash gains. In healthcare especially, where investments in environmental sustainability, employee wellbeing, or community health initiatives may not pay off right once, According to one CEO, *"investing in community health initiatives isn't something that pays off immediately; but, it builds trust and strengthens our brand in the long run."* (FB18). Viewing responsible investment as an investment in reputation and community goodwill, this viewpoint emphasizes how family firms frequently give long-term advantages top priority over short-term earnings, therefore supporting financial stability (Shahzad et al., 2018).

The process of making decisions depends much on risk management since family-owned healthcare companies consider the financial risks connected to wise investment. *"We carefully*

evaluate every investment to make sure it won't expose the company to needless risks," said a financial manager from a diagnostic facility. Responsible investment also has to be sensible financially (FB17). This focus on sensible risk analysis captures the careful attitude family companies usually use to guarantee ethical and financial sustainability of investments. The decision-making process around responsible investment is much guided by family governance structures such as family councils and boards. These governing systems give family members a platform to express their ideas and come to agreement on important investment choices. One Director of Strategy said, *"We have frequent family meetings where we address possible investments. Everyone must be in agreement, particularly in cases when our financial choices affect society."* This cooperative method underlines the importance of family governance in enabling decisions that fit social and financial objectives, therefore aiding navigation of challenging investment decisions (Shahzad et al., 2018).

The method of making decisions in responsible investment also revolves mostly on openness and responsibility. Healthcare family businesses are especially mindful that their choices affect not only their financial situation but also their standing in society. One ESG manager noted, *"Our family emphasizes openness in all we do. We freely share with staff and stakeholders our investment decisions, therefore fostering trust and demonstrating our dedication to doing good."* This openness helps the family to be committed to ethical behavior and fosters ties with stakeholders, therefore supporting the twin objectives of social impact and financial rewards (Fitzgerald et al., 2010). Furthermore, the necessity of knowledge in sustainable finance has driven many family companies to consult outside consultants or create alliances with companies focused on ESG investing. A CEO said, *"We sought in professionals to help us as we knew that responsible investment is a complicated topic. It has guided us to make morally based decisions."* Family-owned healthcare companies can make better decisions by working with outside consultants, therefore guaranteeing that their ethical investment policies are both financially feasible and effective (Cheng et al., 2024).

Balancing social impact with financial returns calls for family companies to have measurements for both kinds of results. To evaluate the success of sustainable investments, conventional financial criteria are combined with social and environmental impact assessments. One CFO said, *"We consider social impact measures like community health outcomes alongside financial performance."* This two-part approach enables us to view the whole picture. This approach reflects an increasing trend among family companies to have a whole perspective of investment performance, therefore matching financial success with social responsibility. Furthermore affecting the decision-making process is succession planning since family legacy planning usually incorporates responsible investment into its agenda. *"We want to pass down a business that's both financially solid and socially impactful,"* the Director of Investments in a paramedical production company said. A significant component of that legacy is responsible investing (FB19). Family companies guarantee that next generations will preserve the family values and keep a balanced approach to development and social impact by including responsible investing into succession plans (Jaffe & Lane, 2004).

Some family companies see smart investment as a competitive advantage that distinguishes them in the medical field. *"Our commitment to responsible investment has brought us closer to like-minded partners and clients that value ethical practices,"* said a COO from a clinical research company. For business, it has been fantastic. (FB16). Family businesses with this strategic orientation can draw partners, investors, and customers that give social impact first priority, therefore generating chances for development consistent with family values. The process of juggling social and financial goals also calls for constant assessment and change. Since family businesses have to modify their plans to fit evolving social expectations, financial situation, and legal obligations, responsible investment calls for adaptability. One CFO said, *"We routinely check our investments to make sure they still line up with our objectives. Responsible investing is an ongoing practice not a one-time choice"* (FB9). This attention to frequent evaluation shows the

family's will to keep a balance between profit and goals, therefore adjusting to changing criteria and expectations in the medical sector (Mousa & Arslan, 2023).

Responsible investing for Moroccan family-owned healthcare companies follows generally complex decision-making procedures that indicate a dedication to both profitability and social impact. These companies establish a responsible investment strategy supporting sustainable development by giving family values top priority, using generational insights, and embracing openness (Shahzad et al., 2018). Their chosen decision-making process combines ethical considerations with financial practicality, therefore enabling them to serve their communities, build their reputation, and guarantee financial stability.

4.3 Challenges and obstacles to using responsible investment in asset diversification:

Moroccan family-owned companies in the healthcare industry find great difficulty including responsible investment into their asset diversification plans. Many family businesses find obstacles linked to financial restrictions, knowledge in sustainable finance, legal complexity, and internal alignment on investment goals even if many are driven to match their investing practices with social and ethical ideals (Fitzgerald et al., 2010). This part looks at these difficulties and shows how family firms negotiate the sometimes difficult terrain of responsible investing. One of the most often mentioned difficulties is the financial outlay required to apply sensible investing techniques. In the healthcare industry, where businesses can operate under limited budgets, investments in sustainable projects including environmentally friendly technologies or community health programs can be financially impossible (Shahzad et al., 2018). *"We want to invest in projects that are good for society, but the initial costs can be hard to justify when we have other pressing needs,"* one CEO said (FB18). Family firms find it challenging to totally commit to responsible investing without compromising their short-term financial stability given this financial constraint.

Lack of knowledge about sustainable finance, particularly in relation to asset diversification, presents another challenge for barrier families running businesses (Hafner, 2021). Developing and implementing ethical investment strategies is difficult for many family-owned healthcare companies that lack in-house experts educated in ESG (Environmental, Social, and Governance) investing practices. One CFO noted, *"Our understanding of sustainable finance is still developing. It's difficult to identify which investments are really responsible and fit for our financial situation without appropriate knowledge"* (FB15). Because family businesses worry about possible mistakes, this knowledge gap might cause uncertainty in seeking responsible investment prospects. For family firms trying to apply responsible investment, regulatory complexity adds still another level of challenge. The healthcare industry is already quite regulated, thus more ESG compliance rules could add to operational load. One Financial Manager observed, for example, *"The rules around sustainable investment are changing and keeping up with them while still achieving healthcare requirements is onerous. We do not want to lag behind compliance; it is a lot to maintain."* Family firms find it challenging to manage the necessity to remain compliant in their main industry with the needs of ethical investment under this regulatory environment.

Another obstacle is internal family alignment on financial priorities since various family members may interpret the relevance of responsible investing differently. Generational disparities sometimes show themselves; younger family members advocate for socially conscious investments while elder ones could give standard financial measurements first priority (Cheng, Zhang and Liu, 2024). One Director of Operations said, *"The younger generation is particularly concerned on prudent investment, but the older members are more focused on immediate financial gains. It is difficult to strike a balance that appeals to everyone."* Family businesses find this internal conflict difficult since reaching agreement on prudent investment policies calls for juggling several family viewpoints. For family-owned companies in the healthcare sector especially when investments in sustainability do not show quick returns, juggling the demand for financial returns with social impact goals is a continuous challenge. *"Some responsible investments take time to show returns,"* said a CEO in FB7. *"That patience isn't always easy to maintain, especially in a*

competitive market.” Even if these projects match their social ideals, family businesses—often dependent on consistent cash flow—may find it difficult to justify long-term investments in responsible projects that do not yield immediate financial returns (Fitzgerald et al., 2010).

Another obstacle is the necessity of constantly evaluating and assessing the social impact of investments since it calls for tools and resources family companies might not have easily available. One ESG Coordinator pointed out, for instance, *“We want to know the actual impact of our investments, but evaluating social outcomes is challenging.”* Unlike financial measures where you have exact numbers, this is not like that. This ambiguity makes total commitment difficult (FB20). Measuring social effect can be challenging for family firms trying to apply responsible investment strategies since they might not have faith in their capacity to monitor and assess the returns on such investments. Moreover, responsible investment calls for a great degree of openness and responsibility, which family companies used to more private, family-centered operations could find foreign or even unsettling. *“In family businesses, we’re used to keep things in-house,”* the Head of Innovation said. For us, responsible investing means opening more to the public—a significant change. Family-owned companies may find this culture change difficult since responsible investment sometimes requires openness in both the positive and negative effects of investments, therefore subjecting the company to more public attention.

The competitive forces in the healthcare sector complicate the application of responsible investing even further. Family companies feel driven to invest in innovative ideas that might not always fit ethical investing criteria as new technology and developments continuously change the field. *“We’re in a field that’s changing rapidly,”* a CEO in medical research said. Sometimes the investments that maintain our competitiveness do not quite fit our responsible investing objectives. Striking a balance between the necessity to stay competitive and the dedication to ethical behavior generates conflict that could impede the use of responsible investing. Economic uncertainty and market volatility create further challenges since family firms might give more secure, conventional investments top priority than responsible ones during economic crisis. *“When the economy is unstable, our priority shifts to investments that are safe and guaranteed, rather than those that are responsible but more risky,”* the CFO said (FB3). This careful approach shows a resistance to accept ethical investment when financial security is at stake, especially in family firms that give stability first priority. At last, family-owned companies in Morocco’s healthcare industry sometimes struggle to discover appropriate responsible investment prospects that fit their ethical standards and commercial objectives. One Investment Director said, *“Finding assets that satisfy our financial and social objectives is not always simple. Sometimes we feel as though we have to decide one over the other”* (FB19). This lack of possibilities can hinder the diversification of assets in a way that fits the family’s financial goals and responsible investing standards. In essence, Moroccan family-owned healthcare companies have great difficulties applying ethical investment even when they are driven to do it. Adopting ethical investment within an asset diversification plan is complicated by financial restrictions, knowledge gaps, regulatory demands, internal alignment concerns, and market dynamics (Crespi-Cladera & Bru, 2006). Notwithstanding these obstacles, family businesses are dedicated to finding solutions that let them meet their financial objectives as well as their commitment to social impact by means of creative exploration.

4.4 The part family values and government play in forming responsible investment plans

Governance systems and family values are quite important for Moroccan family-owned companies in the healthcare industry in determining their attitude to ethical investment. Family governance not only offers a structure for making decisions but also helps to match financial plans with ethical and social obligations of the family. This part looks at how deeply held family beliefs and government policies help these companies create responsible investment plans that strike a mix between profit margin and social impact. Effective definition and execution of responsible investment plans depend much on family governance institutions including family councils, boards of directors, and frequent family meetings. These systems establish a formalized environment where family members can argue for alignment with family values, discuss financial

decisions, and guarantee all opinions are heard. *“We rely on our family council to set the tone for our investments,”* one CEO said on the value of family governance in their responsible investing strategy. This is where we ensure our choices complement our corporate vision and values. These systems of governance help the family to stay together and guarantee that all significant financial decisions show a shared dedication to social obligations as well as financial gains (Fitzgerald et al., 2010).

Choosing which kinds of investments are permissible typically depends on the moral compass provided by family values. Particularly in the healthcare industry, many Moroccan family companies base their investment decisions on values including community care, ethics, and sustainability (Cheng, Zhang and Liu, 2024). A CFO said, *“Our family has always prioritized returning to the community. Our investment decisions are based on this value, hence we take great care to exclusively invest in sectors that advance our social mission”* (FB15). These principles not only support moral standards but also inspire a feeling of obligation to support initiatives that benefit society even if those efforts demand trade-offs in quick financial advantages. Particularly when younger generations offer fresh ideas on sustainability and social effect, intergenerational conversations inside family governance systems also affect responsible investment strategies. Younger family members push the family firm to take social and environmental factors into account in asset diversification by advocating ESG-aligned investments. One Director of Strategy said, *“The younger generation sees ethical investment as a must, not an option. They have urged us to examine assets that benefit society.”* These intergenerational effects inspire the family to respect the fundamental values set by past generations while changing its investment approach in line with modern society (Shahzad et al., 2018).

Family governance also helps the family to fulfill its long-term goals since ethical investing becomes part of the legacy family members want to leave for next generations. Many family companies see responsible investment as a means of leaving a legacy of positive social influence in line with their aim to have a lasting impact. *“We want our family's legacy to be about more than profit,”* said a CEO. Our approach of ensuring we are known for doing good as well as thriving financially is responsible investing (FB18). This focus on legacy helps the family to stay committed to investments that fit their ethical criteria so that their corporate choices now support a long-standing positive reputation. Many times, family values are formalized into the political system and policies that direct ethical investment decisions. To guarantee that all investment decisions follow the family's basic values, several family companies create ethical charters or investing rules outlining appropriate behavior. One CFO pointed out, *“We have ethical standards first priority in our family investment policy. It's a means of formalizing our values such that every choice we make honors those ideals.”* Family businesses can guarantee consistency in responsible investment practices by formalizing ideals into governance policies, therefore facilitating the navigation of difficult decisions balancing social and financial results.

Furthermore, affecting stakeholder connections are family values and governance structures. Family companies that give ethical investing first priority usually enhance their standing among customers, partners, and the larger society. An ESG Coordinator underlined this effect: *“Our stakeholders come to trust us more when we commit to responsible investing. They are aware that our priorities go beyond mere profit to include changing the world.”* This congruence with stakeholder expectations strengthens the company's reputation by proving that the financial choices of the family depend on their ethical principles. Moreover, family governance structures offer a means of responsibility in wise investing. Frequent family meetings and open reporting inside the family help to build a framework whereby financial decisions are freely discussed and evaluated. One COO said, *“Our family gatherings offer a chance to assess the influence of our investments. It guarantees we are living up to our principles and helps us to be responsible.”* This obligation guarantees that investments are constantly evaluated against ethical as well as financial criteria, therefore promoting a feeling of accountability.

Particularly in fields like healthcare where profit and ethics are intimately entwined, challenges can arise when trying to combine the need for financial returns with the need to honor family values. While some family members stress social influence, others could give business top priority. Family governance creates a forum for candid communication and consensus-building by helping to moderate these variations. *“Sometimes we have different ideas on whether to give profit or social impact top priority. Our system of governance enables us to strike a middle ground honoring both objectives”* a financial manager said. This cooperative approach emphasizes the need of governance in enabling reasonable decisions that support social as well as financial goals. Succession planning emphasizes even more the part values and government play in forming ethical investment practices (Weng & Chi, 2019). Many times, family companies include responsible investing into succession plans to guarantee that next generations would carry on the family's ethical standards commitment. One Head of Investments said, *“Our succession plan now includes responsible investment. We wish the next generation to carry on something.”* This proactive approach to succession planning ensures that responsible investment stays a top focus, therefore enhancing the family's legacy and guaranteeing a lifetime dedication to social impact (Fitzgerald et al., 2010).

Furthermore, family governance structures enable one to negotiate the difficulties of applying responsible investment policies in a sector undergoing fast development like healthcare. Healthcare is dynamic; shifting rules that call for adaptability and technological developments abound. *“Our governance structure helps us adapt to changes in the healthcare industry while staying true to our values,”* a CEO from a healthcare consulting company said. It allows us the freedom to choose wise investments even as the market changes. This flexibility emphasizes how family governance helps to integrate responsible investment, therefore enabling the company to stay strong in a context of fast change. Ultimately, even if this calls for more difficult decision-making, the focus on family values frequently drives Moroccan family enterprises to search for investments with both financial rewards and social impact. An ESG manager said, *“We want to locate investments that still offer financial growth yet fit our beliefs. Though it's difficult, it's worth it to keep true to each other as a family.”* This commitment to ethical consistency shows the family's will to make investments in line with their legacy and identity, therefore demonstrating that financial success does not have to come at the price of moral values. Ultimately, appropriate investment techniques in Moroccan family-owned healthcare companies are greatly shaped by family values and governmental systems. By means of codified governance, intergenerational cooperation (Jaffe & Lane, 2004), and a dedication to ethical standards, these companies generate a responsible investing strategy that captures both their social obligations and financial objectives. Embedding family values into their governance structure guarantees that their expansion is sustainable, socially relevant, and consistent with the legacy of the family, thereby building a company model that respects tradition but welcomes innovation (Mousa & Arslan, 2023).

4.5 Discussion of results

This study has shown how Moroccan family-owned healthcare companies include responsible investing into their asset diversification plans, therefore exposing the complex balance between social effect and financial objectives. The results provide several important new perspectives on how operational obstacles, family values, government policies, and generational dynamics shape responsible investing decisions. Emphasizing the special qualities that make responsible investment both a hopeful and demanding endeavor for Moroccan family businesses in the healthcare sector (Mousa & Arslan, 2023), this part explores these insights in the larger framework of family company sustainability, resilience, and ethical alignment. One very strong influence on investing decisions turned out to be family governance and values. Family-owned companies naturally give continuity, legacy, and community impact top priority, thus responsible investment fits quite naturally from their current beliefs. These companies work to include ethical issues into their plans, which is in line with earlier studies on how family values affect corporate behavior. In this regard, family governance systems—such as investment committees and family

councils—offer a disciplined forum for discussing investment choices, therefore guaranteeing congruence with family ethics and long-term goals. Formalizing these ideals into governance systems helps family businesses to maintain consistency and responsibility in their actions, therefore supporting the stability and durability of their responsible investment practices (Cheng, Zhang & Liu, 2024).

One interesting discovery is how important multigenerational viewpoints are in guiding environmentally friendly investment strategies. Younger family members often advocate responsible investing, which forces the family company to include more environmentally friendly methods into its financial plans. This generational impact provides fresh ideas and creativity to conventional corporate procedures, so responsible investment is a dynamic and changing tool for family businesses. This study validates that younger family members act as catalysts for ethical investment in Moroccan healthcare companies; previous studies show that next-generation members in family businesses sometimes see business as a vehicle for positive societal influence (Kazancoglu et al., 2021; Jaffe & Lane, 2004). Younger family members' active participation not only diversifies the investment strategy of the company but also bridges conventional family values with contemporary sustainability concepts. The difficulties these family firms encounter in applying responsible investment highlight even more the difficulty of reconciling social impact with financial gains (Fitzgerald et al., 2010). Significant obstacles to responsible investment are financial restrictions, ignorance of sustainable finance, and legislative challenges. These results are consistent with more general studies showing that family firms sometimes struggle with the technical and legal requirements of sustainable investing (Yu et al., 2022), notwithstanding their values-driven goals. In the medical field, where adherence to rigorous criteria is required, ethical investment calls for more resources and knowledge. This intricacy sometimes calls for outside advice or cooperation with ESG consultants, therefore stressing the importance of support systems allowing sustainable practices in family companies.

The results also suggest a complex understanding of responsible investment as both a growth strategy and a risk management tool. In line with studies showing ESG practices as a hedge against market volatility (John Foster, 2018), Moroccan family businesses in healthcare see responsible investment as a means to future-proof their company against social and environmental changes. Responsible investing gives these companies two benefits: improved reputation and a defense against possible changes in society or regulations. Early responsible investing, for example, helps family-owned healthcare companies be ready for tougher rules that can affect their operations going forward. By establishing trust with stakeholders and thereby generating a competitive advantage, this proactive approach helps these companies to be leaders in their field. Notwithstanding the advantages, the process of making decisions about responsible investment is still difficult; family governance systems are very important in balancing different opinions. Achieving consensus is a challenge for family businesses particularly when social goals contradict with commercial performance criteria (Fitzgerald et al., 2010). According to this study, family councils or gatherings are absolutely essential venues for negotiations since they let family members express worries and find compromise. These systems guarantee that decision-making stays inclusive and respectful of both financial and ethical factors, therefore supporting the dedication to responsible investing by guaranteeing that approach. Different points of view allowed by governance structures help these companies to remain in line with their principles while seeking strategic diversification (Crespí-Cladera & Bru, 2006), therefore fostering a more united approach to sustainability.

Transparency is another fundamental issue since responsible investment calls for a degree of openness sometimes at conflict with conventional family company operations. Moroccan family-owned healthcare companies are used to make private decisions; nevertheless, ethical investing calls for public responsibility (Shahzad et al., 2018). Though difficult, this change presents a chance to establish confidence among partners, communities, and patients as well as other stakeholders. Family businesses can more successfully convey their dedication to social impact by

adopting open investing policies. This is consistent with research indicating that openness in responsible investment improves stakeholder connections, therefore supporting the ethical reputation of the family company and increasing its resilience. With families include responsible investing into their legacy-building activities, the results show how it can be a uniting component in succession planning (Weng & Chi, 2019). Healthcare family firms view responsible investment as a means of passing on a business model that blends profitability with social good, therefore arming the next generation for ethical stewardship (Cheng, Zhang and Liu, 2024). Family businesses strengthen the continuity of their values over generations by including responsible investing into succession planning. This strategy reflects the idea of "transgenerational entrepreneurship (Shen, 2018)," in which family businesses seek projects generating long-lasting social value, therefore ensuring that their legacy goes beyond simple financial success (Fitzgerald et al., 2010).

The study also emphasizes the twin difficulty of preserving financial returns while pursuing social impact—a balancing act that calls for sophisticated tools to gauge both. In line with worldwide trends in responsible investment, Moroccan family companies are using hybrid measures that mix social results with financial performance. By combining these indicators, family businesses may evaluate the effectiveness of their responsible investment plans holistically, therefore guaranteeing that their investments support both profitability and good society impact. By proving its clear advantages and encouraging ongoing support across generations, this practice also strengthens a case for family responsible investing. Driven by family governance, intergenerational cooperation (Jaffe & Lane, 2004), and ethical values, Moroccan family-owned healthcare companies show a unique approach of responsible investing overall. Even if obstacles still exist, especially related to financial restrictions and regulatory pressure, these companies show tenacity and adaptation in negotiating the convoluted terrain of responsible investing. Their approach uses family values to create an investment plan that honors legacy while embracing modern environmental aims by combining innovation with tradition (Shahzad et al., 2018). The results of the study highlight how Moroccan family companies might lead in sustainable finance in the medical field. These companies not only get financial rewards but also present themselves as champions of good social change by matching ethical investment with family values (Fitzgerald et al., 2010). This special mix of ethical dedication and financial sensibility emphasizes the great influence family companies may have in promoting sustainable practices, both inside Morocco's medical field and outside.

5. Conclusion

Investigating how Moroccan family-owned healthcare companies include responsible investment into their asset diversification plans would help to balance financial rewards with social impact. By means of a qualitative methodology grounded in semi-structured interviews with 27 important stakeholders, this study has revealed the reasons, governance systems, and intergenerational dynamics influencing responsible investment decisions inside various companies. By doing this, it clarifies the intricate mechanisms by which family values, ethical guidelines, and financial objectives coincide in the framework of Morocco's healthcare system.

By stressing the special reasons and approaches used by family-owned healthcare companies, this study theoretically adds to the existing literature on family business sustainability and responsible investing. It emphasizes the important part family governance plays in enabling ethical alignment in investing decisions and therefore maintaining the family legacy. The research also presents the idea of intergenerational impact as a driver of progressive investment plans in conventional family businesses. These realizations improve our knowledge of how family companies handle sustainability and help to create a larger framework of ethical investment strategies fit for family-owned companies in developing countries.

Methodologically, this study shows how well qualitative approaches—more especially, semi-structured interviews—capture the complex viewpoints of family business stakeholders.

Through concentrating on a particular industry and area—Moroccan healthcare—the study offers a very contextualized perspective of responsible investment practices, so providing rich, comprehensive insights that quantitative methods would not find. The thematic content analysis technique also made it possible to clearly grasp the difficulties and motives particular to Moroccan family-owned healthcare companies by means of an orderly and thorough investigation of recurring topics. Future studies on ethical investment within other family businesses and geographical settings could find a model in this methodological framework.

Practically, the results provide insightful analysis for investors eager to support ethical investment in family-owned companies, legislators, and family company executives. The study emphasizes the need to include responsible investing into family governance systems and succession plans so that these behaviors live on in the family legacy. The research highlights for practitioners the need of hybrid metrics evaluating social and financial returns so enabling family businesses to analyze the whole influence of their efforts. The useful results of this study highlight the possibility of family businesses acting as leaders in sustainable finance, especially in areas as important as healthcare where social and ethical issues take front stage.

This study has certain limits notwithstanding its contributions. Although Moroccan family-owned healthcare companies offer in-depth analysis, their concentration limits the generalizability of the results to family companies in other sectors or areas. Though informative, the emphasis on qualitative techniques could bring subjectivity; so, future research could profit from a mixed-methods strategy to validate and build on these conclusions empirically. Although enough for qualitative saturation, the very small sample size of 27 interviews limits the capacity to derive generalizable conclusions applicable across all Moroccan family enterprises.

Looking ahead, a number of directions for next investigation open themselves. First, broadening this research to include family companies from many industries, such manufacturing or agriculture, could provide relative understanding of how industry-specific elements affect responsible investment policies. Second, a longitudinal study looking at how ethical investment affects family company sustainability and financial performance would help one to better grasp its effectiveness over time. Eventually, especially in developing countries, further research could look at the possible influence of policy interventions and regulatory support in encouraging responsible investment among family firms. Such studies might enable family businesses to reconcile social and commercial goals, therefore promoting a more sustainable corporate scene. Finally, our study shows that Moroccan family-owned healthcare companies approach responsible investment with a determination to balance profit and purpose, therefore exhibiting both a great respect of family legacy and an openness to innovation. These companies provide a strong and flexible model of responsible investing by combining ethical investment methods, intergenerational cooperation, and governmental policies. Their efforts not only help their own businesses to be sustainable but also stand as a benchmark for other family businesses trying to balance financial success with social impact in a world increasingly linked.

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