

## **ABSTRACT**

Learning in organizations is well recognized as a key determinant of success in competitive markets, and a rich literature examines learning mechanisms in large-sized and professionally-run organizations. Relatively little is known about the learning processes in family-run firms, most of whom are small- and medium-sized (SMEs) led by a single family SME leader connected in a family network. Using pragmatic learning theory as an interpretive lens, we conduct a qualitative multicase study involving 61 interviews in family-run SMEs with family firm leaders, family members, employees, and customers. Our within- and cross-case analysis helps identify the mechanisms, barriers, and enablers of learning in family-run SMEs. Our study pinpoints leaders' role rigidity as a major barrier to learning, and employee empowerment, family-members' support, and customer feedback as critical resources in overcoming role rigidity. Yet these resources turn out to be major amplifiers of role rigidity in later phases, thus impeding learning and innovation.