Vol. 6 Issue.1

Qualitative Analysis to Behavioral Models of Previous Generations and its Differentiation due to the Successor's Gender in the Process of Intergenerational Family Business Succession

Dr. BELGİN AYDINTAN

Gazi University,

Assoc. Professor. Dr. Faculty of Economics and Administrative Sciences, Department of Business Administration and Organization, Besevler/Ankara/Turkey

E-mail: belginaydintan@gmail.com
Phone: 0090 533 774 55 18
Fax: 0090 312 213 20 36

Dr. AYKUT GÖKSEL

Gazi University,

Assoc. Professor. Dr. Faculty of Economics and Administrative Sciences, Department of Business Administration and Organization, Besevler/Ankara/Turkey

> E-mail: agoksel@gmail.com Phone: 0090 531 395 22 22 Fax: 0090 312 213 20 36

Abstract

The study which is aimed to research the behavioral models of predecessor during the intergenerational succession process in family business was carried out through in-depth interviews with totally eight family businesses. The present study also suggests modeling two strategies of "the experimental simulation of succession strategy" on structural analysis of the succession process and transitivity between stages and job adaptation for successor and "the transformation strategy" on the process of quitting the business of predecessor.

Key Words: Family Business, Succession Process, the Experimental Simulation of Succession Strategy, the Transformation Strategy.

Introduction

Businesses are one of the most important elements of an economy. It is observed that businesses are managed by entrepreneur-manager model during the enterprises first establishment but the enterprises can continue to live if management can be transferred successfully to the new generation. Family businesses are quite important in this respect. Succession is considered as transferring leadership authority from the founder-owner or the current manager to a person from the family or professional managers from outside the family. Succession planning has vital importance for businesses in order to continue their life. This importance becomes much greater for a small number of family businesses that can pass a generation in their life span. In this context, succession is not an event, but a process and succession planning process

Vol. 6 Issue.1

involves all existing actions, events, and organizational mechanisms during the transfer of leadership or sometimes transfer of ownership of the business (Le Breton-Miller et., 2003).

Succession planning process consist of three basic elements: 1. Determination of the successor by the predecessor: In this case, predecessor gives high power and authority to person who is chosen as successor or brings a crowned prince to organization from outside. 2. Ensuring effective training to successor for top management tasks 3. The acceptance of succession planning and predetermined successor by the business partners and other potential successor candidates. Factors that explain the successful succession process can be taken into four groups: 1. Related to predecessor, 2. Related to successor, 3. Related to family, and 4. Specific factors related to the organization. Accordingly, the personality and willingness of predecessor (Barach and Ganitsky, 1995; Cabrera-Suárez et. al.,2001; Dyer, 1988; Handler, 1990), the importance he has given to successor's preparation, overcoming anxiety, confidence, sharing and the capacity of transferring abilities (Lansberg, 1988) are example factors that is related to predecessor.

Current study is primarily based on stages of succession model (Handler,1989) that is observed in the family business literature and presented the four basic stages of transitions in the analysis of the process. In this context, it has been described that integration phases in itself three stages. The study's finding are compatible with the literature on the withdrawal of predecessor phrase's behavioral models, but thought as originated from national culture, the facilitator and confidant roles between successor and family are not played and denied. The present study's researchers depicted two strategies as the name of "the experimental simulation of succession strategy" that successor is in the integration phase and "the transformation strategy" that predecessor is in withdrawal phase.

The Conceptual Framework of Succession Process

The willingness of successor, the harmony of the individual needs of successor and the requirements of the organization, the capabilities of successor, successor's education and work experience (Barach and Ganitsky, 1995; Chrisman et.al., 1998), appropriate training and apprenticeships (Morris et.al., 1997; Sharma et.al., 2001) are example factors that is related to successor. The qualification of the current relationship with family, harmony, family council, job involvement, potential resistance from the family, climate of trust between individuals and groups (Davis and Harveston, 1998; Handler and Kram, 1988) for factors related to family; the structure of the board of directors, previous experience of succession, organization culture, tax system and business cycles for factors related to organization are emphasized (Bjuggren and Sund, 2001; Dunn, 1999). Considering succession factors, it seems to be more prominent that the elements which is composed of predecessors choice, support and development of the successor, organizational management structure and common vision, goals and strategies. Accordingly, the importance of succession's evaluation and management as a planned process emerges. (Dyck et.al., 2002; Dyer, 1988; Elstrodt, 2003; Lansberg, 1999; Sharma, Chrisman and Chua, 2003). Succession process of family business is explained with 3 models in literature:

- 1."Relay-Race model" is inspired by the flag race which was developed by Dyck et al. (2002). Four factors are taken into consideration as important in succession planning: a) change period in which successor has been chosen b) the timing of succession for the successor c) technique of succession process, d) communication between successor and predecessor.
- 2. Fox et. al. (1996) emphasized six relationships, between a) the business and important stakeholders b) the business and predecessor c) the business and successor d) the predecessor and successor e) the successor and important stakeholders f) the predecessor and important stake holders, as important factors in "relationship model".
- 3. According to Handler's (1990) "stages of succession model" which is base for this study, succession in family business is a complex process that consist of four main phases: a)Initiation phase b) Integration

Vol. 6 Issue.1

Phase c) Joint-Reign Phase d) Withdrawal Phase (Cadieux and Lorrain, 2003). In this process, the roles shown by the incumbent and successor indicate mutual dependence intended for the aim of maintaining the family business' life; which is essential for the analyze of this complex process (Chittoor and Das, 2007). In this succession process, the incumbent takes on the roles of 1) sole operator 2) monarch 3) overseer/delegator and 4) consultant. The successor plays the roles of 1) having no role to 2) helper to 3) manager to 4) leader (Barach and Ganitsky, 1995). In this context, behavioral models that successor and predecessor have exhibited can differentiated in succession process and it increases the complexity of succession process (Gersick et. al.,1999). Accordingly, understanding and managing the inter-generational succession process are important in terms of ensuring the family business life.

During the phase of initiation, it is stated that successor is accustomed to family business with various methods since their puberty. It is observed that these childhood experiences for successors get positive effect on their entrepreneurial tendency. The studies revealed that if the successor's business experience is not well managed by predecessor during puberty period, successors are negatively affected by this situation. Especially the mistakes made by successor who is observed by employees, lead the employees to the idea of successor does not have enough talent and will not be successful when successor take over the business. Beside these, it has been identified that potential successor is also seen as a cheap labor by family members. The characteristics of relationship between the family and successor for the period of puberty are summarized in the table below:

Table 1. The Dimension of the Relationship between Predecessor and Successor: Childhood Experience with Business

	with Dusiness	
Study	Studies' Results	Effect
Longnecker and Schoen (1978)	Succession begins in childhood.	
Alcorn (1982)	Perception of business and work made in high school.	13.4 A
Jonavic (1982)	Starting at the bottom as a teen.	Negative
Rosenblatt et. al.(1985)	Successors are the source of cheap labor when they are young.	Negative
Bork (1986)	Parents have positive attitudes about family business.	Positive
Ward (1987)	Parental grumbling about work at home.	Negative
Lea (1991)	Positive experience as a young boy/girl and the balance in parents' life.	Positive
Aranoff and Ward (1992)	Attitudes and behaviors result from childhood experiences in the business.	
Goldberg (1996)	Son/daughter was introduced to business and work in business at an early age. Happy childhood.	Positive
Aldrich and Cliff (1993)	Positive business experiences are important.	

Resource: Griffeth, Allen and Barrett (2006)

In integration phase, successors are given tasks which contain various levels of responsibility in business. (Cadieux and Lorrain 2003). In this study, it is observed that the family expects successor to exceed the stages of apprentices-foreman and mastery and these roles presence. In joint-reign phase, predecessors begin to transfer his/her power or authority to successor and it is expected that successor take full authority from predecessor after a certain period. It is observed that joint-reign and withdrawal phase form a nested structure. During the joint-reign phase, predecessor gives order to successor and controls his/her works and make the necessary adjustment to successor. Accordingly, predecessor takes on "observer role". Predecessors show their successors how to prepare files, making presentation and negotiation, so predecessor takes on "teacher role". Predecessor also allows their successor to make strategic decisions and

Vol. 6 Issue.1

assume the consequences of those actions and decisions, so that predecessor takes on "protector role". Predecessor plays "introducer role" by introducing the successor to internal and external stakeholders. In withdrawal phase, although predecessor transfer his authority to successor, he maintains his presence in the business as a honorary president and follows the business's sales and financial condition. Accordingly, predecessor takes on "consultant role". It is also observed that predecessor directly intervene the unfavorable decision that is especially related to the organization and business value which predecessor determined at the beginning of business's establishment. Predecessor decreases the conflicts which successor may face with his family because of the business. Consequently, predecessor takes on the "facilitator role". There are some problems that girls encounter in family business. In the literature daughters are not considered for management position in succession process (Keating and Little, 1997; Stavrou, 1999). Keating and Little (1997) stated that gender is an important factor for determining the successor and male primarily selected as a successor. Even if the daughter is the first child of the family, she is not often considered for the leadership role in the family business and some business owners prefer to sell the business instead of giving leadership to the daughters (Stavrau, 1999). Stavrau (1999) indicated that daughters also primarily work at lower position in the family business. According to these findings, daughters are not considered for business's leadership in the future. Besides, it is declared in the literature that predecessors don't want to give a management role to their daughters because families want to protect their daughter (more than sons) and don't want their daughters to face the problems related with the business management. (Hollander and Bukowitz, 1990). It is indicated that daughters cannot take over the management of family business as easy as sons at the ages of 20's or 30's. Daughters take the flag of leadership of the family business at the ages of 40's or 50's. Daughters demonstrate the leadership role of the business after sons withdraw the business leadership (i.e. Daughters cannot assume the leadership role because she is not the first child of her generation). Many families don't think their daughters as a potential successor to their family business. Many families don't think their daughters as a potential successor to their family business. They prefer the eldest male child as a successor instead of daughters. Daughters still are not considered as a successor even if she is the first child (Stavrou, 1999). Many researchers tend to support this thesis. Keating and Little (1997) stated that gender is an essential element in determining the successor and male are preferred as a successor. Even if the sons are younger than daughters, sons are thought as a potential successor more than daughters (Keating and Little, 1997). It is observed that some business owners prefer to sell the company instead of giving leadership role to the daughter (Stavrou, 1999).

Table 2. The studies on characteristics dimension of successors in terms of gender perspective

Tuble 2. The studies on characteristics dimension of successors in terms of gender perspective						
Study	Results of Study	Effect				
Rosenblatt et al.	When daughter marries and changes her surname, confidence					
(1985)	decrease to her.					
Birley (1986)	Oldest son seen as a primary candidate					
Prokesch (1986)	No glass ceiling seen for women.	Positive				
Ward (1987)	Financial support is provided for daughters to stay away.					
	Oldest son seen as a prime successor.					
Korman and	Son's wife is not expected to play role in family owned business.	Negative				
Hubler (1988)	Daughter's husband is expected to join the family owned					
	business.					
	Women are given negative messages about abilities and interest					
	in family owned business very young.					
Goldberg (1991)	Position in family often dictates standing as potential successor					
Goldberg and	First born child and only child are more likely to comply with					
Wooldridge (1993)	parent's wishes.					
Martin (2001)	Daughters are not heirs apparent.					
García-Álvarez et	If daughters are first born or they have no brothers, daughters	_				
al. (2002)	succeed.					

Resource: Griffeth, Allen and Barrett (2006)

Vol. 6 Issue.1

Analysis

ISSN: 2306-9007

Considering the research subject and purpose, semi-structured in-depth interview method has been preferred because it is concluded that it provides most effective results. Data collection tool that is used in the study has been specifically designed for determining the succession process phases. Data were collected by face to face interviews. In current study data has been obtained from business owners' transferring the business leadership to second and next generations or business owners that are in the process of transferring the authority. The characteristics of the research area are as follows:

Table 3. Demographics of Family Businesses

	Table 3. Demographics of Family Businesses							
Company	Sector	Founder	Date of	Number of	Successors	Potential		
Name			Establishment	Employees		Successor		
Telmek	Electrical-	Father	1994	56	1 son,	Son		
A.Ş.	automotive				1 daughter			
Yıldız	Food industry	Father	1990	150	1 son,	Both son and		
Yemek					1 daughter	daughter		
Anolsan	Corrugated	Father	1980	13	3 daughters	Daughter		
	cardboard				_			
Korucu	Power	Father	1958	44	2 sons	2 son		
	transmission lines							
Toksan	Corrugated	Father	1982	12	2 sons	1 son		
Kutu	cardboard							
Başkent	Food industry	Father	1974	24	2 daughters,	Successor does		
Gıda				J 678570	1 son	not want to work		
Akmetal	Sandblasting,	Father	1987	10	2 daughters	The eldest		
Boya	painting, floor	15/1		(man - 12	N Page 1	daughter		
-15	coverings	CARS.	MAG		~	1 M. J.		
As	Automotive spare	Father	1970	8	2 daughters	The business		
Otomotiv	part	1 / Ala		KY -		does not operate		
Company	Sector	Founder	Date of	Number of	Successors	Potential		
Name			Establishment	Employees		Successor		
Telmek	Electrical-	Father	1994	56	1 son,	Son		
A.Ş.	automotive				1 daughter			
Yıldız	Food industry	Father	1990	150	1 son,	Both son and		
Yemek					1 daughter	daughter		
Anolsan	Corrugated	Father	1980	13	3 daughters	Daughter		
	cardboard				_			
Korucu	Power	Father	1958	44	2 sons	2 son		
	transmission lines							
Toksan	Corrugated	Father	1982	12	2 sons	1 son		
Kutu	cardboard							
Başkent	Food industry	Father	1974	24	2 daughters	Successor does		
Gıda					1 son	not want to work		
Akmetal	Sandblasting,	Father	1987	10	2 daughters	The eldest		
Boya	painting, floor				_	daughter		
	coverings							
As	Automotive spare	Father	1970	8	2 daughters	The business		
Otomotiv	part					does not operate		

The business which is subject to research has been determined by convenience sampling depending on personal relationship because there is a lack of data bank of business which may take part in the research

Vol. 6 Issue.1

group. Accordingly, the family business has been preferred that is in the succession process within the family business that is operating and producing in Organized Industrial Region (OSTIM) in Ankara, Turkey. The first generation has been observed as mostly being between the ages of 55's and 65's, while the second generation is mostly between the ages of 30's-40's. In the study, five men and three women successors have been observed. The number of employees in family business varies between 10 and 150 people and the oldest business' operating time is 54 years, while the youngest operating time is 20 years. It is observed that the oldest family business is in the third generation of succession process, while other family businesses are in the second generation of succession process. It has been discovered that a family business could not transfer the leadership of the business to the second generation and accordingly, it ended manufacturing. It has been observed that the family business' entire founder is the family's "father".

Findings

As a result of in-depth interviews with first and second generation managers of 8 businesses and considering the intergenerational succession process phases, the findings can be determined as follows:

Initiation Phase

ISSN: 2306-9007

In current research, it has been seen that predecessors consider getting potential successors into the family business system by giving small tasks in business in holiday period and after the school during the first youth period in order to accustom them to work and business environment.

"My son started to get used to work starting from primary school. He is a petroleum engineer. He took an active role while studying at the university." Telmek A.Ş. (Predecessor)

"I have 2 daughters and 1 son. My son came and worked while he was studying. I didn't want my daughters to work with me. I wanted them to work in a more gentle works." Başkent Gıda (Predecessor)

It is observed that successors especially between the ages of 10-16 mostly participate in this phase. Predecessors, especially at this point, put forward the method of making them love the business and then adopting. In current study, it remarks that only one successor was not given an apprentice and journeyman training in the predecessor's company. It has been noted that this firm has a structure comprising 6-10 phases which contains important skills in the production process. Likewise, when analyzing one successor's efforts to accustom to work since primary school period, it has been observed that the company's production process involves complex skills.

"My older son was doing an apprenticeship in another large company before high school. In high school, my older son worked with me after school. He trained from the cradle." Korucu (Predecessor)

When considering working time of successors in the companies, it has been observed that successors were working longer in the business of complex production processes. Predecessors plan their successors' education according to businesses' needs or in the types of professions believed to make successor more successful in the business. Accordingly, it has been observed that engineering education primarily preferred for successor in production-oriented businesses. It is seen that this education planning also designed for providing more effective foreign connections for existing business. Only a predecessor determined the successor's sector according to gender of successor.

Vol. 6 Issue.1

"Our company is both the service and automotive spare part business. My daughter studied economics at Bilkent University to work in the service sector and I enrolled to my son a high school which is given French education in order to improve himself in automotive and spare parts industry. I do not want my daughter to be in the automotive industry. Because automotive sector is a sector where men work very intensively and I think that this sector is suitable just for men." Yıldız Yemek (Predecessor)

From this aspect, it is essential to study whether there is a method when the production structure of business to be transferred is complex; the successor is included in apprentice and journeyman training in his own or other company from the early ages and longer than the others.

Table 4. The Development Process of Successor

Company Name	Successor's Tenure	Initiation phase	Features of production process	Education of Successors
Name	(year)		process	
Telmek	10	From primary	(Production-R&G)	Male (petroleum engineer)
A.Ş.		school	Production process consists of	Female(mechanical
			complex phase;	engineer)
			Product portfolio is so wide	
Yıldız	1,5	Before the	Food production	Male (High School-
Yemek	30,50	university		continue)
	(3)			Female (Economy)
Anolsan	2	Before the	(Production)	Female (Industrial
9		university	Basic production Process	Engineer)
Korucu	15	by doing	(Production- Lathe- R&G)	Male (technical high
er 2007	S. C. C.	apprenticeship in	complex multi-step production	school)
75.2	200	another company	process	Male (Tourism)
Toksan	T	By working the	(Production)	Male (mechanical
Kutu		workshops	Basic production Process	engineer)
Başkent	8	Before the	(Production)	Male (physics engineer)
Gıda		university	Contains moderately complex	1970
			production process	
Akmetal	5	Before the	(Secretaryship-customer	Female (Teacher)
Boya		university	relationship management)	
			Basic production Process	
As	4	After the	Trade and service	Female(Business
Otomotiv		university		Administration - Russian
				Language)

Integration Phase

ISSN: 2306-9007

The actual adaptation to work of the successor starts at this stage. In this first stage, all potential successors have a process to love and adapt to the business. At the end of this process, some successors stated that they do not want to enter the family business or their academic education is not about their family business. Accordingly, these successors exit from the succession process.

"I have three daughters. Two of them said that they wanted to be doctor and they didn't wish to take part in our work." Anolsan (Predecessor)

"One daughter of mine said that attorney will be my profession, my other daughter said that industry is not for me and I want to be a civil servant. They stood away from my business.

Now, one is an attorney the other is bank clerk." Başkent Gıda (Predecessor)

Vol. 6 Issue.1

It is observed that some successor was out of the succession process because their individual characteristics and not being able to adapt to the work in integration phase. Successor in this case has minor capital works and it is revealed that the women successors do not work after they get married. It is observed that successors take part almost every stage of production process in integration phase. This is not based on conscious gender preference. In other words, predecessors desire their successors, whether male or female, who will take over the business to know better the production process by working in the manufacturing.

"First of all, production must definitely be known if one wants to understand all of the work which is in the business. When production part is known, all employees respect to the manager and they avoid cheating to the manager. I therefore made my daughter to work in production department." Anolsan (Predecessor)

"Firstly, I started my son to work in production and R&D department in order to teach manufacturing. If the production part is not known in our business, we cannot be successful at all." Telmek A.Ş. (Predecessor)

It is observed that successors have roles as apprentices-foreman and mastery in the production stage considering their working times.

"Firstly I sent my elder son as an apprentice to another big production company. Then, I appointed him as a foreman three or four years in different production stages under the supervision of foreman like a regular employee in our own business. I have increased his authority to be responsible for the entire production when he mastered production process and using the machines." Korucu (Predecessor)

"My children worked as apprentice under our foreman. If one day foreman can not come to work, my children can get over the production. Each one became a master of our business to operate the production." Toksan Kutu (Predecessor)

Based on the findings that obtained from interviews and observations, the approach of teaching the production process which is the first stage of integration phase can be partitioned in itself as apprentices-foreman and mastery. Accordingly, it is observed that integration phase divided into three stages itself. The predecessor gives task or duty for material procurement and product sales function to the successors whom he believed he is grown for production process. From this perspective, knowing the production function is seen as one of the most important elements for the continuation of work. Marketing function which includes relationship with customers, sales and efforts to increase the sales is accepted vital second phase in the survival of the business provided that production must be known. Purchase of raw materials and relationships with suppliers are positioned as the transition process within these two processes.

"I firstly started my child to work in production, then I sent him to service department." Başkent Gıda (Predecessor)

"I initially employed my daughter to purchase and sell on school canteens which is not too risky for our business" Yıldız Yemek (Predecessor)

"Initially she started as a secretary to help us" Akmetal (Predecessor)

Approaching integration process from the side of successor, his first experiences with suppliers during apprentices-foreman and mastery periods may be described with its assistant role. As the first transfer of managerial authority has been done by the start of the mastery period, it can be described as the starting stage of managerial role.

Vol. 6 Issue.1

"I got to know raw materials, their quality and people who bringing us the goods when working at the manufacturing stage. Then, my father sent me to sales department, I'm doing this job for several years. Now that I mastered in production, employees began to embrace me. Now I think I'm ready to take over the management." Anolsan (Successor)

At this point, a model combined with successor role models in a three-stage model, redesign of successor's helper and manager roles that is explained by Handler (1989) and also single-stage integration process that is explained by Handler (1989) and Cadieux (2007) based on our observations is described below.

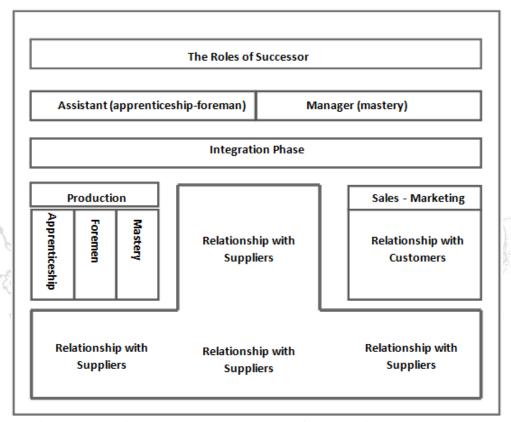


Figure 1. Integration Phase Model and the Roles of Successor in Integration Process

At the research made, two successors preferred a non-production division in integration phase. It is observed that both of these are women successor, but it has been understood that this situation is not a preference based on gender and is based on the opinions of predecessors that determine eligible divisions which is out of the production to learn the business. In other words, learning the business begins trading, supplying and relationship with customers according to the observed sample.

- "I initially employed my daughter to purchase and sell on school canteens which is not too risky for our business. She learned how to choose material that is essential for the production. I therefore aimed to establish relationship between my daughter and our suppliers and customers." Yıldız Yemek (Predecessor)
- "My daughter started out as my secretary. So that I thought that she can learn to work in production and she can recognize our customers. We primarily need to ensure good relations with customers in our business" Akmetal (Predecessor)

Vol. 6 Issue.1

In integration phase, it has been identified that all successors follow a functional process starting from production in the structure of their main business, except one successor. In current study, it is found that a family business's integration strategy differs from others. Because of the success of this integration strategy, it is considered as an alternative strategy. Namely, predecessor of Yildiz Yemek Sanayi excluded his successor directly to their core business which is food production business; Predecessor gave to successor the whole authority of school canteens that is strategic business unit (SBU). By the formation of this strategy, it has been aimed that successor improve making decision ability. Nevertheless, controlled passing to suppliers used commonly by two companies and customer departments is aimed while this is applied; during not endangering business' main job by avoiding successor to being afraid of unsteady and complex decision mechanism of main job, job adoption at defined SBU and managerial role experiences he will play later on main job caused the formation of the strategy.

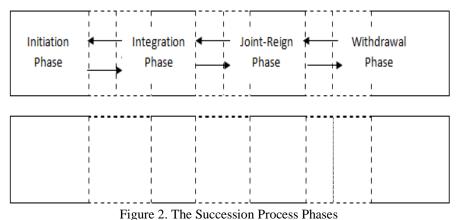
"I gave all responsibility of school canteens to my daughter. I told her that you can manage the way you want. This job is yours anymore. I don't want to get her directly to our core business that is food business because the volume of the food business is very large and very challenging decisions are made. Getting into our tough business immediately could scare her completely from the industry and work. However, the work of school canteens constitutes approximately 3% of our business. Getting worse at school canteen affairs were not important. It wasn't significantly loss for us. In this way my daughter's confidence will increase. I thought that she will naturally get into our business and take over it in the time, because of common purchases and customers." Yildiz Yemek (Predecessor)

The present study's researchers predict that successors will be more successful by creating SBU which exist in main business or is designed for making successors good at integration process and succession, instead of making them participate in directly to the main business processes in the integration process. This strategy is defined as "the experimental simulation of succession strategy" by the researchers by taking into consideration of its general features.

Joint-Reign Phase

ISSN: 2306-9007

Joint-reign phase third stage of succession process when an appropriate authority by gradually demonstrating the skill of thinking method of business is transferred to successor. Joint-reign phase cannot be separated specifically from integration phase and withdrawal phase with an exact established behavior patterns or series of rules. When evaluated in this respect, succession model should be considered as a structure which includes the common transition areas between stages. Therefore, modeled behaviors within the succession process can be found in common transition areas in accordance with this structure. This process which is observed in current study depicted in Figure 2 as the succession process phases.



č

Vol. 6 Issue.1

It has been observed that predecessors show different models of behavior which do not exactly follow a sequential process against successors in joint-reign phase. It has been understood that predecessors first give non-critical jobs to successors and follow up to teach the basic rules of business by directions. Whenever successors make mistakes realizing the instructions and missions, predecessors play the observer role by showing and correcting their mistakes.

Predecessor's Observer Role

- "I gave her stock counting job. I helped her to recognize the products in our store." As Automotive (Predecessor)
- "I helped my little son to deal with materials, raw materials, quality and control and input-output." Korucu (Predecessor)
- "I did not interfere her too much with her works. I followed her behind. I just corrected her minor mistakes." Anolsan (Predecessor) and Yıldız Yemek (Predecessor)

Teaching role, which predecessor teach to successor how he thinks, how to do presentations to customers, how to negotiate with customers, how to behave at a business meeting both doing personally himself and describing during his conversation to provide successor watching his act, mostly follows the observer role. According to teacher behavior model, predecessor controls the work that is made by his successors by following from a distance. In case of failure of successor, predecessor does not directly take corrective actions. Therefore, predecessor help to successor get experience in this process. For this purpose, teacher behaviour model compass enduring the material damage when needed.

Predecessor's Teaching Role

- "I brought her our meetings and I told how to talk with sellers." Anolsan (Predecessor) and Telmek A.Ş. (Predecessor)
- "I don't get involved in the business that I thought him before. I would like to see the move of him.

 If necessary, I am willing to make loss." Telmek A.Ş. (Predecessor)
 - "Profit and loss is the same thing. While my son is learning running the business, he may make loss." Toksan Kutu (Predecessor)
- "I'm willing to make a loss. He just learns the business and involved in the business." Başkent Gıda (Predecessor)

Protector role model is seen at a period which includes decision making on more important issues and at higher level of authority comparing with teacher role model and the authority transfer occurs mostly close to the whole. Another distinctive matter at this stage is creating a decision simulation for successors to understand the result of their actions that they have done. Predecessor follows his successor a close point that can intervene protectively in cases of high financial risks.

Predecessor's Protector Role

- "I handed over most of my authority. If he wanted to sell this company, he can. I can only intervene in some key issues." Telmek A.Ş. (Predecessor)
 - "Although my son made loss, I supported my son. But he never took up the business seriously." Başkent Gıda (Predecessor)
- "My daughter is free in her every decision. But I keep remotely watching her, she isn't aware of it." Yıldız Yemek (Predecessor)

Vol. 6 Issue.1

Predecessor introduces his successor to company's internal and external actors starting from in integration phase, but predecessors introducer role is determined in joint-reign phase much more than integration phase. The successor's level of authority, in particular, is noted for company's customers and suppliers. In the introducing phase of successor, It is observed that the authority of the successor encompasses all business functions in joint-reign phase. It is determined that predecessor's introducer role is seen only at the phase of joint-reign according to foreign literature and it is not available any data for the successor's authority (Cadieux, 2007). It is understood that predecessor does not introduce successor in a planned way. Introducing the successor is realized mostly due to business relations in the phase of integration and joint-reign.

Predecessor's introducer role

"My daughter met with our customers and suppliers from the time that she is a secretary. I also brought her to the meetings and introduced my daughter with business partners that we engaged."

Akmetal (Predecessor)

"My son met all of our suppliers and customers because he worked at our business for many years"

Telmek (Predecessor)

Predecessors help successors to gain their self-confidence and acting for mobilizing role in the joint-reign phase. They fulfill this role consciously and planned. Accordingly, predecessors encourage the successors for taking responsibility on new mission, authority and responsibility, by transferring their values and thought form based on predecessor's experience and skills.

Predecessor's mobilizer role

ISSN: 2306-9007

"I gave my daughter whole authority of our canteen business. I aimed to build her self-confidence by saying that you can do whatever you want." Yıldız Yemek (Predecessor)

"I showed her that I pay attention to her ideas providing opportunities to take new authorities for my daughter. I want to increase her self-confidence." Anolsan (Predecessor)

On seven research objects other than Yıldız Yemek, the withdrawal phase starts at the end of authority transfer and when the predecessor prepares for the withdrawal. It was found that As Otomotiv and Başkent Gıda actually complete this process. It was observed that predecessors are in the business as chairman of the board and successors are general manager, assistant general manager, production manager and responsible manager of SUB in the business in present case. When analyzed predecessor's share and authority status, it is observed that predecessor's shares are much more than their successors. But predecessors mostly transferred all the authority at various levels to their successors by notary and it seems they use equally. The main roles of predecessor in withdrawal phase are shown below in Table 5.

Six of the predecessor established and developed to their companies. Accordingly, there is most important reflection on employees of predecessors who establish the company. So, it is attributed that predecessors are "the hero of the company, the people who run the business and success to be able to live through the tough times". Based on these opinions, predecessor takes on symbol role. This role is given by employees to predecessors. Respect and trust of employees are very high point to predecessors.

Vol. 6 Issue.1

Table 5. Findings of Withdrawal Phase

C	Table 5. Findings of Withdrawai Phase						
Company Name	Current Status of	Current Status of Successor	Transfer of Ownership	Withdrawal Phase	Predecessor's Monitoring of		
T 1 1	Predecessor	C 1	0 1 11	1	the business		
Telmek A.Ş.	chair of the board	General manager	Successor holds 12% share. All authority has been transferred from the notary.	last quarter	production report sales report accounting and financial reports		
Yıldız Yemek	chair of the board	Responsibility for the canteen jobs (the responsibility of strategic business unit)	Successor holds 10%-12% share. (All authority has been transferred in the strategic business unit)	First quarter	production report sales report accounting and financial reports		
Anolsan	chair of the board	General manager	Successor holds 12% share. All authority has been transferred from the notary.	Third quarter	production report sales report accounting and financial reports		
Korucu	chair of the board	Do not take over the business	There are no shares of successors	Second quarter	production report sales report accounting and financial reports		
Toksan Kutu	chair of the board	General manager	Successor holds 25% share. All authority has been transferred from the notary.	last quarter	financial reports		
Başkent Gıda	chair of the board	Do not take over the business		last quarter			
Akmetal Boya	chair of the board	General manager assistant	There are no shares of successors	First quarter	production report sales report accounting and financial reports		
As Otomotiv	chair of the board	Do not take over the business- The business does not operate					

Predecessor's symbol role:

ISSN: 2306-9007

"If I say a worker "carry me in your back to İstanbul", believe me they do." Telmek (Predecessor) "Whenever I say a price to our clients, customers want to talk to a father after me." Akmetal Boya (Successor)

Vol. 6 Issue.1

It is observed that predecessors take on consultant role by guiding successors and giving advice or information aimed at resolving a problem or difficulty, if their successors who are given the whole authority wish. Predecessors also acting technical support role to adopt a successor to the production stage according to findings of this study. Predecessors take on mediator role by supporting to successor about the solution of possible business disputes based on the friendship that dated from the foundation of the business with suppliers and customers and continue to work with them during joint-reign phase or in withdrawal phase.

Predecessor's consultant role:

"I am ready to support any kind of situation when my daughter is in trouble." Anolsan (Predecessor)

"If my son wants my thoughts, I tell him my opinion and help him." Telmek A.Ş. (Predecessor)

It is understood that predecessors prepare themselves to be the honorary president or chairman of the board in their business starting from final stage of joint-reign phase and throughout the withdrawal phase even if they completely withdraw the work. In other words, even if predecessor transfers his authority and quit working, he is not leaving the ship's captain's cabin by following financial, sales, raw materials and supply reports (predecessor's observer role). Predecessor follow up the management of his business while keeping the right to intervene when he believes it is most needed. Predecessor is acting as shadow manager role with this behavioral model.

Predecessor's shadow manager role:

"Although my daughter has whole authority in the business, I have followed general progress of the business, purchases and sales and cash information of business." Anolsan (Predecessor)

"We grew up with this work all the time, we established, we developed. I definitely follow the financial movements of the business. If I thought my son did a great wrong, I would intervene directly." Korucu (Predecessor)

"Even if my daughter gives the price, I'm doing the last bargain and I'm following the money input and output" Akmetal Boya (Predecessor)

Both during the authority transfer and withdrawal phase, the intervene decisions when they believe the value sets that they form during the foundation by using their experiences as management philosophy changes negatively, the organizational culture values differs than the one they established, the negative attitudes occur for employees describe the protective role of predecessor.

Predecessor's protector role

ISSN: 2306-9007

"Reputation is more important than anything for me. I fulfill my promise even if its causes make a loss for me. If my son doesn't do it, I definitely intervene." Telmek (Predecessor) and Toksan (Predecessor)

"My daughter didn't show the real value that I gave my employees while I was gone. For this reason, I did not include her to management activities. We came to this point with our employees and we succeeded it together. This is my core value that should never be forgotten." Telmek A.Ş.

(Predecessor)

"My daughter has to work as a worker in here under the some professionals. I never accept her unfair attitude towards them. If she does, I intervene." Yıldız Yemek (Predecessor)

Vol. 6 Issue.1

Predecessors take on *facilitator role* helping his successor for solving successors' family problems because of the busy work-life of successor at the end of the withdrawal phase. Again at this phase, predecessor plays the confidant role by being confidant to successor; listen to the concerns of him and being supportive (Cadiux, 2007). But in the recent study it has been seen that present predecessors do not play this role and they do not approve these behaviors. According to predecessors, the leader taking the whole authority regulates the relationship with family himself, and his family must face the problems brought by business. It is possible to explain these findings in American literature by different cultural norms but needed to be researched.

"When my daughter needs to work more for her business, she takes care of the household chores, I don't interfere the relations of her home." Anolsan (Predecessor)

"No matter how much work is her duty, she just works...It doesn't matter working overtime at the weekends... Manager's family has to endure it." Telmek (Predecessor) and Korucu (Predecessor)

The analysis of two businesses completed the Succession Process

Although the company which is in automobile spare parts business that is in the integration and joint-reign phase, it was observed that successors didn't take over this company. Because two women successors of this company want to work at other jobs and consider making trade is risky, the activities of the company is finished. Successors of the company which is involved in the food production sector are two girls and a boy. Successors' conditions are as follows:

Girls set their career choices before the university education and they are not involved in the succession process of the business. Men successor of this business experienced all phase of succession process. But refusing to work at the current food production, he established a new production business in industry with the support of the predecessor. It has been seen as a sample finding for transferring the experiences on current industry to another field as providing successors' stay on production and industry sector who does not want to continue in the current business because of personal reasons. According to current study's researchers, culture, production, and management styles which is gained by successors from their family business and using them in another sector is identified as "Transformation strategy". The ability to achieve the transfer of industrialism, production and management culture that is accumulated in the family to new generations and capital continues as capital not as fortune assets are the primary benefits of "Transformation strategy".

Conclusion and Suggestions

ISSN: 2306-9007

Current study is primarily based on stages of succession model (Handler,1989) that is observed in the family business literature and presented the four basic stages of transitions in the analysis of the process. In this context, it has been described that integration phases in itself three stages. The study's finding are compatible with the literature on the withdrawal of predecessor phrase's behavioral models, but thought as originated from national culture, the facilitator and confidant roles between successor and family are not played and denied. The present study's researchers depicted two strategies as the name of "the experimental simulation of succession strategy" that successor is in the integration phase and "the transformation strategy" that predecessor is in withdrawal phase. The experimental simulation of succession strategy is identified as a less risky strategy that is designed for successors to be self-confident and to be good at business instead of participating them directly to the main business processes by creating SUB in the business. Therefore, successor can be developed safely and controlled in administrative decision making processes. Transformation strategy that can be used in withdrawal phase of predecessor shows importance in terms of ensuring successor who does not want to take over the existing business and wants to continue on a business where he can continue the experiences of family, culture, capital,

Vol. 6 Issue.1

production and management for another job. One of the findings of current study shows that oriented education for successors without consideration of gender differences and so the successors grown at work without gender discriminations. Considering the feature of the main source of national development and the growing importance of the family business, academic works on this topic should be continued rapidly by including the industry sector. It should be considered primarily the fact that this cooperation is beneficial for all stakeholders. In this context, the behavioral model's validity that is put forward with findings of succession process in current study can be tested in the future studies. At the same time, it can be revealed the cultural differences about succession process by exploring new models.

References

- Barach, J. A., & Ganitsky J. B. (1995). Successful succession in family business. *Family Business Review*, 8(2), 131–156.
- Bjuggren, P., & Sund, L. (2001). Strategic decision making in intergenerational successions of smalland medium-sized family-owned businesses. *Family Business Review*, 14 (1), 11–24.
- Cabrera-Suárez, K., De Saa-Pérez, P., & García-Almeida, D. (2001). The succession process from a resourceand knowledge-based view of the family firm. *Family Business Review*, 14(1), 37–46.
- Cadieux, L., & Lorrain, J. (2003). La succession dans les PME familiales: une réflexion sur l'état de nos connaissances et sur nos modes d'intervention. *Revue Organisations et Territoires*, 12(1), 25–32.
- Cadiux, L., (2007). Succession in small and medium-sized family businesses: Toward a typology of predecessor roles during and after instatement of the successor. *Family Business Review*, 20(2), 95-109
- Chrisman, J. J., Chua, J. H., & Sharma, P. (1998). Important attributes of successors in family businesses: An exploratory study. *Family Business Review*, 11(1), 19–34.
- Davis, P.,& Harveston, P. (1998). The influence of family on the family business succession process: A multigenerational perspective. *Entrepreneurship Theory and Practice*, 22(3), 31–53.
- Dunn,B. (1999). The family factor: The impact of family relationship dynamics on business-owning families during transitions. *Family Business Review*. 12(1), 41–60.
- Dyck, B., Mauws, M., Starke, F.A., & Miske, G.A. (2002). Passing the baton: The importance of sequence, timing, technique, and communication in executive succession. *Journal of Business Venturing*, 17(2), 143–162.
- Dyer Jr., W. G. (1988). Culture and continuity in family firms. Family Business Review, 1(1), 37–50.
- Elstrodt, H. P. (2003). Keeping the family in business. McKinsey Quarterly, 4, 94.
- Fox, Mark, Nilakant, V., & Hamilton, R. T. (1996). Managing succession in family-owned businesses. *International Small Business Journal*, 15(1), 15–25.
- Gersick, K. E., Lansberg, I., Desjardins, M., & Dunn, B. (1999). Stages and transitions: Managing change in the family business. *Family Business Review*, 12(4), 287–297.
- Griffeth, R. W, Allen, D. G., Barrett, R. (2006), Integration of family-owned business succession with turnover and life cycle models: Devlopment of a successor retention process model. *Human Resource Management Review*, 16, 490-507
- Handler, W. C. (1990). Succession in family firms: A mutual role adjustment between entrepreneur and next generation family members. *Entrepreneurship Theory and Practice*, 15(1), 37–51.
- Handler, W. C., & Kram, K. E. (1988). Succession in family firms: The problem of resistance. *Family Business Review*, 1(4), 361–381.
- Handler, W. C. (1989). *Managing the family firmsuccession process: The next-generation family member's experience*. Ph.D. thesis, Boston University, UMI Dissertation Services.
- Hollander, B., & Bukowitz, W. (1990). Women, family culture, and family business. *Family Business Review*, 3(2), 139–152.
- Keating, N. C., & Little, H. M. (1997). Choosing the successor in New Zealand family farms. *Family Business Review*, 10(2), 157–171.
- Lansberg, I. (1988). The succession conspiracy. Family Business Review, 1(2), 119–143.
- Lansberg, I. (1999). Succeeding generations: Realizing the dream of families in business. Boston, MA: Harvard Business School Press.

Vol. 6 Issue.1

- Le Breton-Miller, I., Miller, D., & Steier, L. P. (2003). Towards an integrative model of effective FOB succession. *Entrepreneurship Theory and Practice*, 28(4), 305–328.
- Morris, M. H., Williams, R. O., Allen, J. A., & Avila, R. A. (1997). Correlates of success in family business transitions. *Journal of Business Venturing*, 12, 385–401.
- Sharma, P., Chrisman, J. J., & Chua, J. H. (2003). Predictors of satisfaction with the succession process in family firms. *Journal of Business Venturing*, 18(5), 667–687.
- Sharma, P., Chrisman, J., & Chua, J. (2003). Succession planning as planned behaviour: Some empirical results. *Family Business Review*, *16*(1), 1–15.
- Sharma, P., Chrisman, J. J., Pablo, A., & Chua, J. H. (2001). Determinants of initial satisfaction with the succession process in family firms: A conceptual model *Entrepreneurship Theory and Practice*, 25(3), 1–19.
- Stavrou, E. (1999). Succession in family businesses: Exploring the effects of demographic factors on offspring intention to join and take over the business. Journal of Small Business Management, 37(3), 43–61.

