

# Role differentiation in FF succession: the impact of private equity / private banking

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**Transfer of Ownership in Private Businesses – European Experiences**

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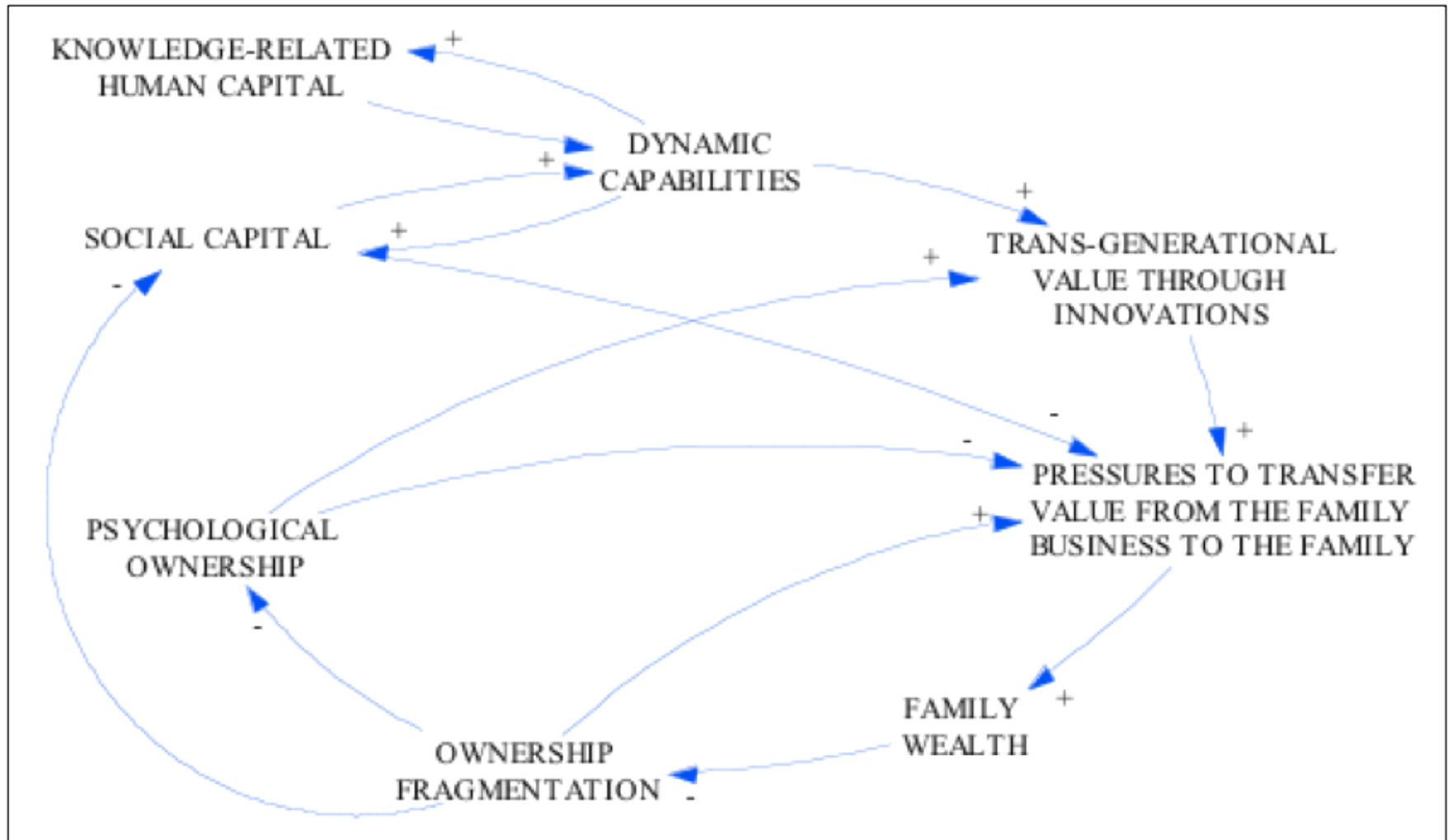
# Content

- Research question
- Model
- Simulations findings
- Discussion and implications

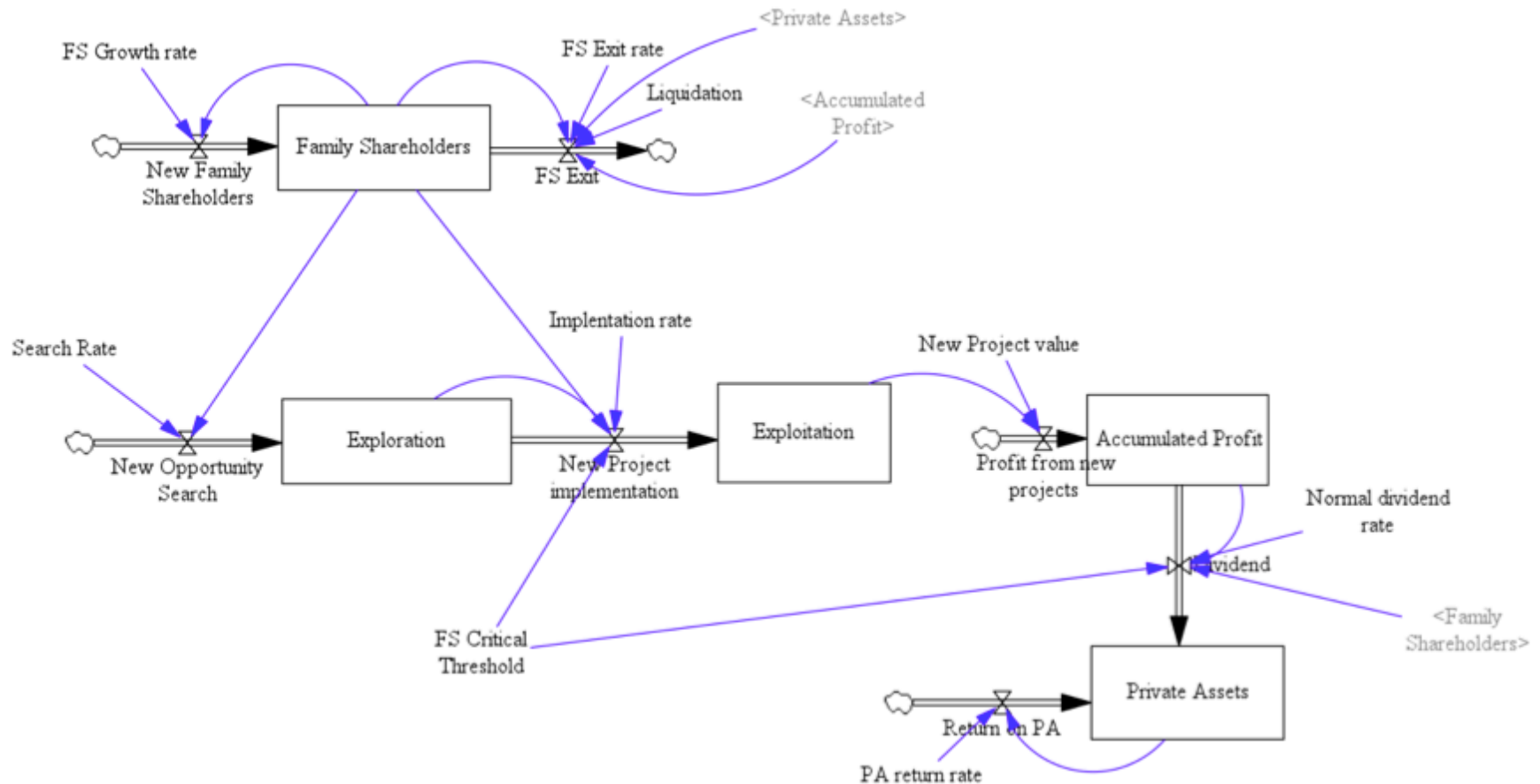
# Ownership fragmentation due to successions

- Roles differentiations due to succession
- RBV and DC perspective
- Corporate entrepreneurship
- RQ 1: How does ownership fragmentation impact on entrepreneurship performance?
- RQ2: How does private equity (banking) contribute to successful transitions?

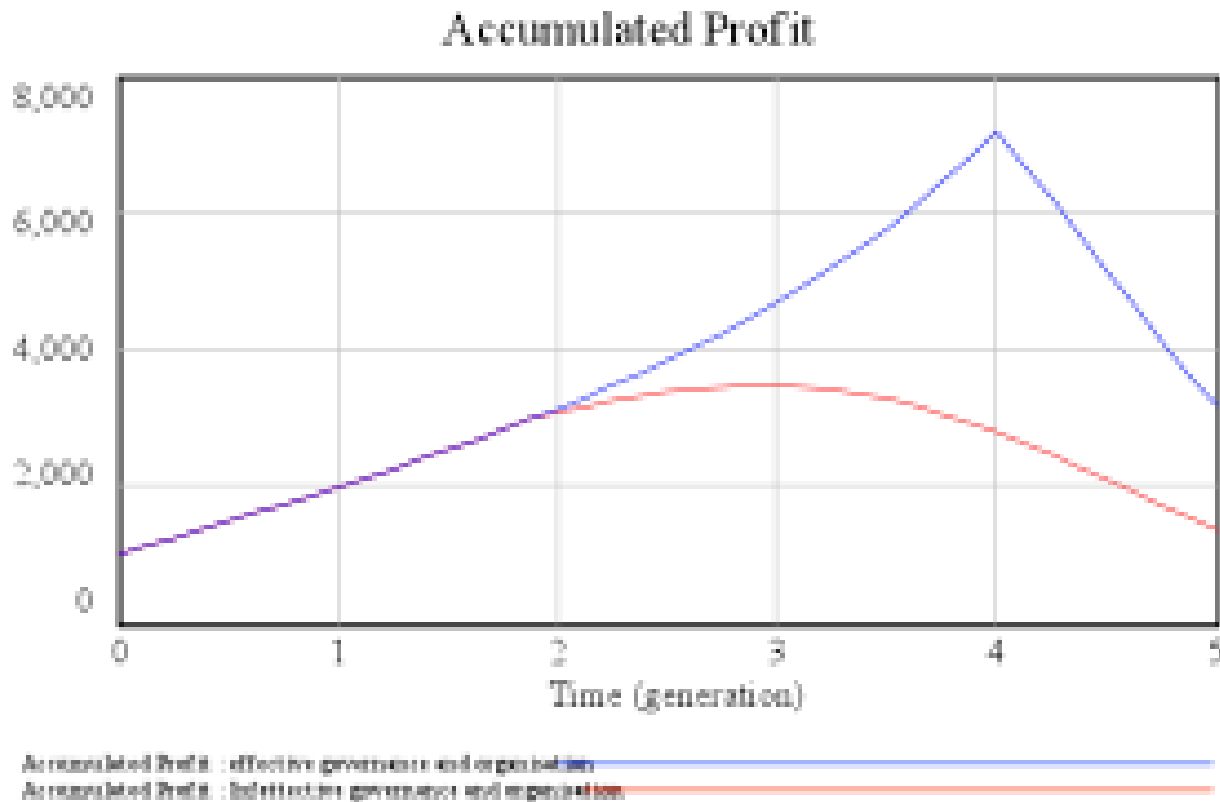
# Our Basic Model



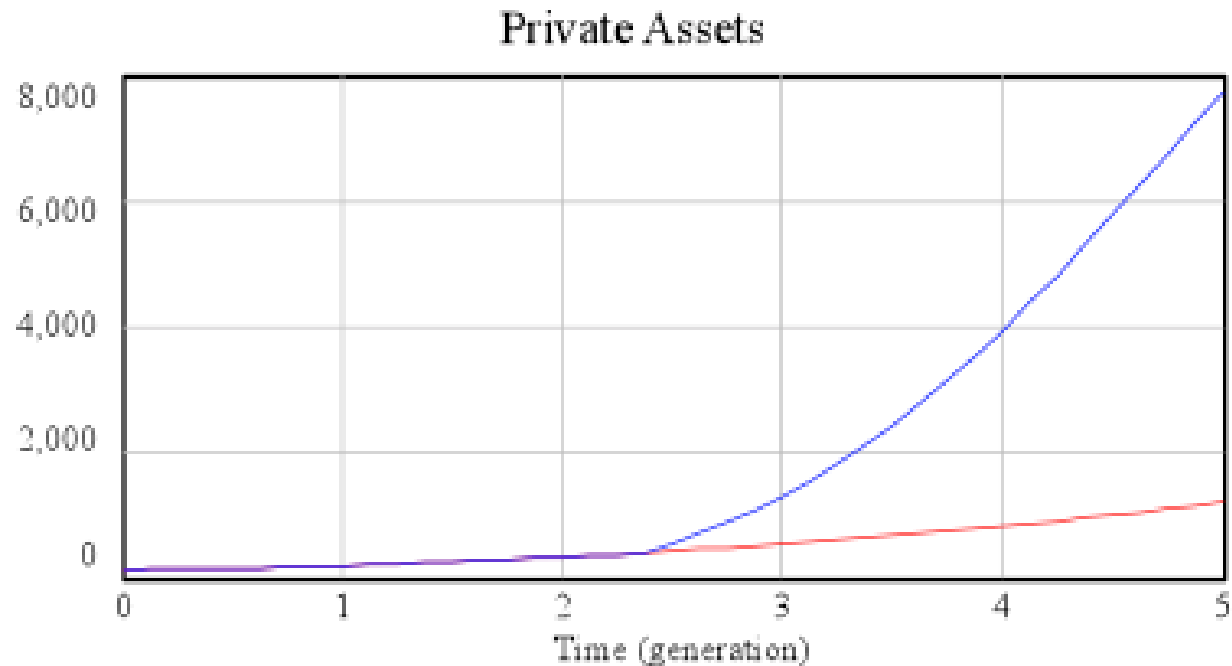
# Private banking and private equity impact



# Simulation findings: governance effectiveness



# Simulations: private assets



Private Assets : many shareholders

Private Assets : Small number of Shareholders

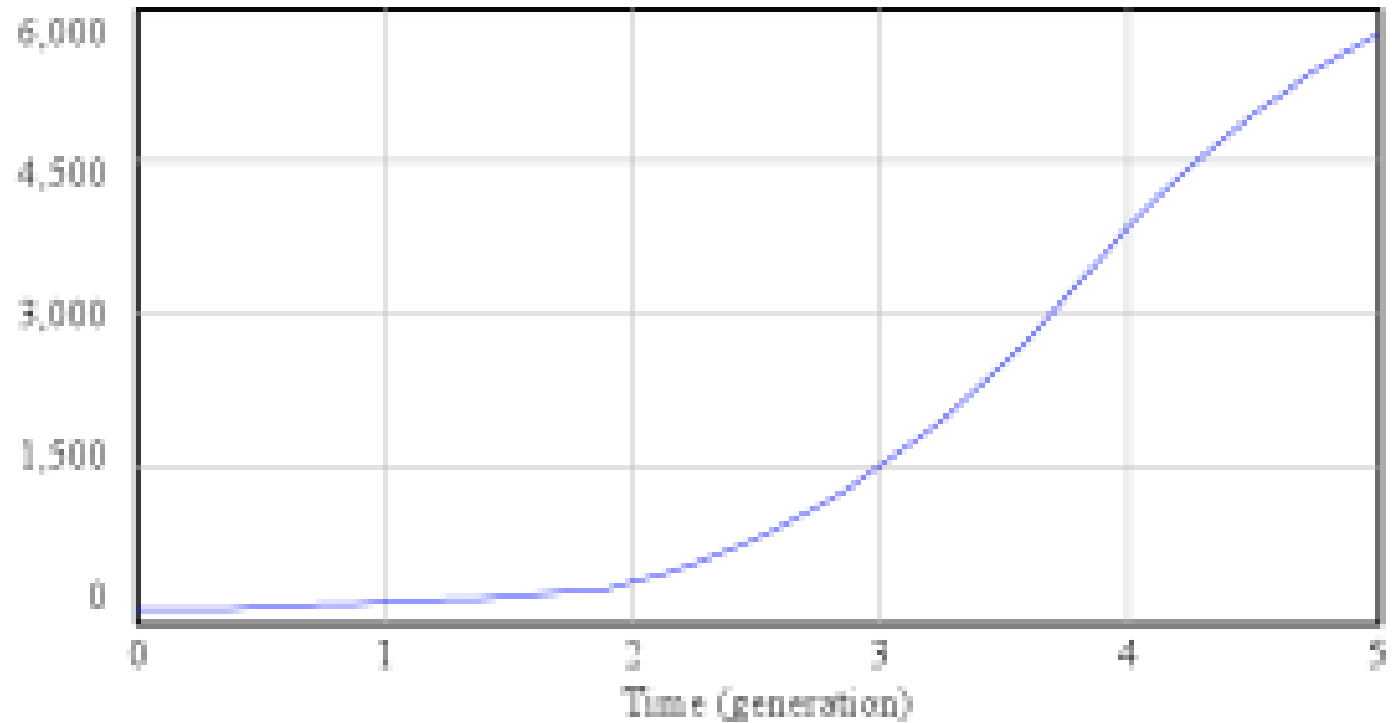
# Simulations: private equity / banking 1



Accumulated Profit : Ownership Restriction

# Simulations: PE/PB 2

Private Assets



Private Assets : Ownership Restruration

# Conclusion

- Ownership fragmentation
  - Reduces Owners commitment
  - Increases pressure to drain FF resources
- Good Governance moderates the impact of ownership fragmentation
- Private bankers who integrate private equity services can complement / substitute good governance tools