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**Gender in the next generation: does it matter?
Some Italian Empirical Evidence on Daughters' Pathways in Family Firms.**

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Next generation and ownership transfer:

Social and psychological space for the next generation

Annalisa Sentuti

Ph.D. in Business Administration,
Faculty of Economics, University of Urbino "Carlo Bo"
v. Saffi 42, 61029 - Urbino (PU), Italy

Telephone: +39 0722/305509 - Mobile phone: +39 338/3367085 - Fax: +39 0722/305541

E-mail: annalisa.sentuti@uniurb.it

Introduction

Intergenerational transfer is one of the most analyzed aspects of family business by national and international literature. However, though the number of women involved in a family business has constantly grown since the 1970s, today there are still few studies which analyze the effects that the increasing feminization of business has had on the succession process. This is true especially in Italy where, although women represent about 27% of entrepreneurs and female successors reach almost 40% in some areas of the country and in some fields, attention to this dimension of the family business is still marginal. Italy is one of the countries in which the “entrepreneurship and leadership are male qualities” approach prevails, often leading to a distorted or stereotypical view of the businesswoman.

In this paper, we aim to analyze the characteristics of daughters’ pathways in some Italian SMEs, and in particular by analysing 13 cases in which daughters have played a significant role in the succession process. This work presents a classification of possible routes they can follow in the family firm. Contextual conditions that promote the active participation of daughters in ownership and management of the firm are studied, as are the eventual effects of gender on participation.

The paper will be organized as follows. After the introduction, research questions and methods of analysis are briefly described. This is followed by a section in which general case descriptions are presented. In the third paragraph we set out a classification of possible pathways that can be taken within the firm and an analysis of testimonies. The paper concludes with the main findings of the study and their implications in practice and research.

1. Research questions and method of analysis

Many empirical studies carried out on a national level highlight the important contribution made by daughters in the continuity of the family firm and the high level of entrepreneurial talent they have shown.

Starting with these observations, it is useful to analyze the experience of some daughters in the family firm, in particular as regards: motivations; competence development; transfer of ownership; succession of leadership. The aim is to answer the following questions:

1. Does gender of the successor still influence and shape the pathways taken by daughters within the firm?
2. Are there other factors that favour (or hinder) the substantial integration (not only formal) of daughters in business management and ownership of the firm? With these premises, this paper presents the results of (ongoing) empirical research conducted in Central Italy that focuses on the experience of women of second or successive generations in family firms.

This study used a qualitative case study research approach to examine factors that may influence the routes taken by daughters in SMEs. The aim of the investigation, in fact, was not to verify a hypothesis on a sample of businesses, but explore the object of study in depth. If, on one hand, quantitative research ensures results that can be generalised, on the other qualitative analysis has the advantage of allowing a more exhaustive examination of the matter. Results are obviously contextual to situations analysed and are not universal; that notwithstanding they allow for a better understanding of complex phenomena such as the object of this study.

Empirical material consists of 13 cases. They are businesses located in Central Italy and heterogeneous with regard to sector, structure and competitive conditions. But they are all small and medium family businesses in which one or more daughters are involved.

The survey involved about 30 key witnesses with different roles: founders, successors (of both sexes), other family members involved in the firm, managers and employees.

The empirical analysis consisted of in-depth interviews which were conducted using a checklist and specific questions were asked. Interviews were carried out in each firm and focused on the composition of the family, the characteristics of the new generation and the family firms. Predecessors were asked to explain, among other things, their reasons for choosing their successor and the division of ownership, as well as how they planned to integrate their offspring in the business. Sons and daughters, in particular, were asked to tell their own stories: what had led them to take a leading role in the business; possible difficulties they encountered; relations with other family members.

Particular importance was given to the analysis of the daughters' statements, significant parts of which are often quoted.

2. Case description

In the choice of firms to involve in the project, the following selection criteria were adopted: the presence of at least one daughter working in the family firm, who currently has (or has had) a significant management role in the firm, and has (or would have) the potential to inherit the firm. Furthermore, selection favoured: micro, small and medium-sized businesses, since Italian SMEs are estimated to make up almost over 95% of private companies, they employ about 70-75% of the workforce and also represent approximately 80-85% of GDP; first-generation businesses, since the first generation passage is the hardest (only 33% of family firms survive the passage from the first generation). However, three firms under successive generations are also represented.

Cases chosen vary in many ways, for example: the composition of the younger generation, industrial sector, the different role played by daughters in the firm. The need to create a sample that was varied, though small and not statistically representative, was dictated by the decision to look at episodes from diverse contexts, for example: from families with only female offspring and families with male and female offspring; from typically male sectors (such as machinery manufacture or the building trade) and others that are more female (hotel industry); daughters with different roles in the ownership and management of the firm. In order to give a clearer picture, two instances in which the generational passage failed were also considered.

The following tables list the female participants along with: industry sector, business characteristics and generation(s) actively involved in the business (Table 1); role in the family business, composition of younger generation and their participation in ownership (Table 2).

Table 1 – Businesses represented by female participants' family firms

Name (a)	Industry Sector	Business characteristics (b)	Generation(s) (c)
Victoria/Valery	Engineering	Ownership: Family 100% Employees: 25 Gross annual sales: 7 mln €	1 ^a and 2 ^a
Clarence	Machinery manufacturers	Ownership: Family 100% Employees: 180 Gross annual sales: 30 mln €	1 ^a and 2 ^a
Leticia	Plastic manufacturers	Ownership: Family 100% Employees: 15 Gross annual sales: 5 mln €	1 ^a and 2 ^a
Florence	Galvanizing	Ownership: Family 100% Employees: 140 Gross annual sales: 11 mln €	1 ^a and 2 ^a
Tess	Machinery manufacturers	Ownership: Family 100% Employees: 80 Gross annual sales: 14 mln €	1 ^a and 2 ^a
Alberta	Hotel	Ownership: Family 100% Employees: 10 Gross annual sales: 1 mln €	2 ^a
Rebecca	Spa	Ownership: Family 100% Employees: 15 Gross annual sales: 10 mln €	1 ^a
Sylvia/Denise/Vera	Spirits	Ownership: Family 100% Employees: 10 Gross annual sales: 10 mln €	2 ^a and 3 ^a
Fannie/Lucy	Machinery manufacturers	Ownership: Family 100% Employees: 85 Gross annual sales: 14 mln €	1 ^a and 2 ^a
Sophia	Publishing	Ownership: Family 50% , non family members 50% Employees: 40 Gross annual sales: 5 mln €	2 ^a and 3 ^a
Mary	Footwear	Ownership: Family 100% Employees: 10 Gross annual sales: 1 mln €	1 ^a and 2 ^a
Susan	Building	Ownership: Family 100% Employees: 8 Gross annual sales: 1 mln €	1 ^a and 2 ^a
Daphne	Plastic manufacturers	Ownership: Family 100% Employees: 70 Gross annual sales: 60 mln €	1 ^a and 2 ^a

Notes

- a) Names of the interviewees are disguised.
- b) Employees are approximate full-time equivalent numbers.
- c) Indicates which generation(s) are actively involved in the business either in executive roles or non-executive board roles.

Table 2 – Participants’ role, younger generation composition and their ownership participation

Name*	Role in the family business	Younger generation composition	Ownership participation
Victoria/Valery	Victoria: future CEO Valery: Head of Legal Office	Two sisters: Victoria, first born Valery	50% Victoria 50% Valery
Clarence	Head of Administration	A brother, first born (future CEO) Clarence	None (100% father and mother)
Leticia	Head of Administration, Organization and HR	Leticia, first born A brother (future CEO)	Leticia 25% (brother 35% uncle 40%)
Florence	Head of Administration	A brother, first born (future CEO) Florence A sister, minore	5% Florence (5% brother 5% sister 35% father; 50% holding)
Tess	Head of Organization and HR	Tess, first born A brother (future CEO)	None (100% father and mother)
Alberta	CEO	Alberta, first born A brother	50% Alberta (50% aunt)
Rebecca	None	Rebecca, first born A sister	None (100% father)
Sylvia/Denise/Vera	Sylvia: Head of Commerce and Administration Denise: Production Manager Vera: Head of Marketing	Sylvia, first born Denise Vera	25% Sylvia 25% Denise 25% Vera (25% mother)
Fannie/Lucy	Fannie: CEO Lucy: Head of Commerce	Lucy, first born Fannie	10% Lucy 10% Fannie (80% father)
Sophia	Sophia: future CEO	A brother, first born Sophia A sister	21% Sophia (21% sister 4% mother 4% father 50% non family members)
Mary	Mary: future CEO	Mary	None (100% father and mother)
Susan	Head of Administration	Susan	50% Susan (50% father)
Daphne	Head of Legal Office	A brother, first born (future CEO) Daphne	None (60% father 40% uncle)

3. Five daughters’ pathways in family firms

An analysis of the interviews showed similarities between them based on which 5 profiles were defined which show possible routes and roles a daughter can have within the firm. The five profiles are:

1. leaders by choice;
2. co-leaders;

3. outcasts;
4. professionals;
5. leaders “because they have to”.

“*Leaders by choice*” are those daughters who are “attracted” to the firm and independently and determinedly choose to follow in their fathers’ footsteps, becoming to all intents and purposes businesswomen and undisputed successors of the company. Generally this is the case in families with only female offspring.

The profile of “*co-leader*” is applied to cases where the next generation is composed of sons and daughters, and in which the official role of successor is given to the male, but in truth leadership is shared between brother and sister.

The profile of “*Outcast*” includes daughters who have tried, unsuccessfully, to follow in the footsteps of their fathers, and have chosen an alternative to the family firm.

The term “*professionals*” describes daughters who, wanting to dedicate more time to their family and/or personal interests, have chosen a limited role in the business and left leadership to a sibling.

Leaders “*because they have to*” are those daughters who were “pushed” towards the firm by unforeseen events, for example the illness or death of the predecessor, and took on leadership even though their goals in life might have been completely different.

Classification is limited in that it simplifies reality, is incapable of offering an exhaustive view and creates profiles whose characteristics are not always easily told apart. But an analysis of profiles does however allow for interesting reflections on the dynamics and main factors that can favour or hinder the integration of daughters in leadership and/or managerial roles.

In the following paragraphs, testimonies are briefly illustrated, analysed and commented on.

3.1 Leaders by choice

This paragraph is dedicated to the testimonies of Mary, Victoria and Fannie, three daughters who, strongly wanting to continue what was created by their fathers, have carefully prepared for their future role as businesswoman and will inherit leadership in the firm.

They joined the firm permanently after a long period of training: Mary earns a degree in Marketing and Communication and speaks three languages; Victoria has a degree in Economics and Commerce and works for an accountancy firm for three years; Fannie earns a degree in Industrial Engineering, is employed by an prominent firm for two years, then spends a year in the States to do a Master’s Degree. They then join the family firm and after a one-two year period flanked by specialised personnel (Mary and Victoria) or an external consultant (Fannie) they join the owner, assuming more responsibilities as time goes on. The firms are all first generation and the owner is still actively involved in their management, but it is already clear who the successor will be: Mary, an only child, already has a significant managerial role and has shown that she is fully able to take over the firm; Victoria, together with her father, has long been in charge of all strategic and organizational parts of the firm; Fannie is already an administrator and runs the firm together with her elder sister Lucy (Head of Commerce).

Though details of their stories are different (in age, studies and personal trials and tribulations), they are linked, in a certain way, by the same starting point.

In fact, they were all born and raised in families in which the next generation consists entirely of women, whose fathers seem to support women strongly and have no preconceptions about a woman’s role:

Victoria's father: I honestly do not have prejudice against women. They have an advantage compared to men: an enormous sensitivity.

Victoria confirms: My father is a die-hard feminist, because he says women have 'an extra gear'. And I grew up with this idea.

Growing up in an environment in which they felt supported and appreciated, taking on the role of businessman in fields that are still strongly male-dominated presented no problem for them:

Fannie: A daughter will usually work in administration independently of her skills or capacity for innovation. Many people ask me if I work in administration, and I always answer "Why should I have to?" There's nothing wrong with it, but why can't people admit that I am capable of doing other things and have technical skills? My father is very open-minded when it comes to these things.

Victoria: In the firm, the hardest thing was giving the employees the message that they had to have confidence in me. I moved really slowly, trying to involve everyone, and finally I managed to earn everyone's respect. It was a challenge, I've always loved challenges and I made it. With clients and suppliers, I might have been at an advantage because I'm a woman.

All, moreover, share a strong admiration for their father and his creation, as well as deep ties to the family firm, feelings that they all express in different ways, but which have had a fundamental role in their decision to enter the firm:

Mary: As the daughter of businessmen who have always owned a factory, I grew up here, playing with shoes, and I could see myself in this role. The reason that I am now here is that I grew up here, ever since I was a baby; seeing that from a little piece of leather you create a product that is on everyone's feet. It's a part of me, it was all very natural.

Victoria: I have a sister, Valery, and a brother: the product created by my father. When he developed his idea I was a very small girl, so I was growing as this idea took shape, I took it in and saw it grow. When the firm was starting out, I was always with Dad. I have always had a very close relationship with my father. And when they asked me what I wanted to do when I grew up, I would answer "I want to work with Dad". That was my underlying theme and I made all my choices with a view to working in the firm.

Their dedication to the family firm is so strong that their personal lives have been put into second place. Both Victoria and Fannie are childless and maintain they do not feel the need to have a family of their own, as their work gives them ample professional and personal satisfaction.

The support and admiration of their fathers (who strongly believed in their daughters' capabilities, supported their integration and created a relationship of trust and exchange with them), good education (making sure they had the right skills for the job), the admiration they have for their fathers and a strong bond with the firm which was forged in childhood (and influenced their goals), are four factors that facilitated the route that brought Mary, Victoria and Fannie to their current position, freely chosen and determinedly pursued: to be the new leader of the family firm to guarantee its continuity.

3.2 Co-leaders

This paragraph is dedicated to the analysis of the testimonies of Clarence, Tess, Leticia, Florence. They have the following things in common: a brother who is (or will be) the official successor (even if he might not be the right person to fulfil this role); a desire to help the

brother run the business, even though this means they themselves will be less involved in the ownership structure and have a limited role in management.

Clarence joined the firm after obtaining a diploma in accounting and has always worked in administration, a choice that was almost forced upon her, because that is what everyone expected of her:

Clarence: Initially, my choice was forced upon me. Since it is easier to see a woman working in administration, that is where my father placed me, after having suggested that I enroll in a technical secondary school providing training in accountancy.

Her elder brother had been in the firm for a while and was familiar with all the areas that are strategic to running a business (production and commerce, in particular). From a conversation with the founder about the firm and its future, it is clear that the successor was chosen when his first son was born, though over the years, the owner realised that his daughter is more suited to the job:

Clarence's father: Clarence has always been tougher and more determined. Her brother has had doubts, hard times, because he is less sure of himself, but being a businessman means being a warrior. If you aren't a warrior by nature, you can become one, you can get the same results at the end of the day, although the emotional price you have to pay is much higher.

In spite of the brother's established frailty of character, he is pushed towards the role of future leader, while Clarence remains head of administration. Nevertheless, her support for her brother is complete:

Clarence: I like to think that my brother and I are specular, each makes up what the other is lacking, and which was recently found in the figure of our father. He has qualities I lack, and viceversa. In this sense we are specular, though he will be the official successor and I'll carry on working in administration.

Tess joined the firm straight after graduating from school in order to help her father, whose health was poor. She thought she would enrol in university as soon as he got better, but stayed on after his recovery. A few years later, her brother also joined the firm. Tess is head of organisation and human resources, while her brother is head of commerce. In the firm for over twenty years, they have become a tight unit. But their seventy-year old father is still active in the firm: he maintains ownership, and an equal minority share has been given to his daughter and the son. However, Tess is aware that she will probably have to step back when the actual moment of succession arrives:

Tess: When my father makes his decision, the most important role will probably be given to my brother. This doesn't surprise me, I accept a supporting role. The important thing is that there is harmony in our purpose and in our common vision of the company. I am perfectly content with being a majority stakeholder, but I definitely have to have the freedom to speak. It means we will make the journey together and we will do it in peace.

Florence and Leticia's stories are similar to that of Tess. Florence also joined the firm after graduating, and after a short period in production she started to work in administration, of which she is now in charge. Her elder brother is head of commerce and in all probability will be head of the firm, his younger sister taking care of human resources. All children have a small stake in the company (5%), but only Florence and her brother actually sit on the Board of Directors, which is chaired by their father.

Leticia, civil engineer, is in charge of administration, organisation and human resources. She enjoys an excellent relationship with her younger brother, managing director of the firm,

and he involves her in all decisions pertaining to the future of the firm. They have a 60% stake in the firm – 35% to the brother, 25% to Leticia – and the remaining 40% belongs to their uncle.

A study of testimonies has shown that when other siblings are involved in the business, everyone has acquired basic all-round knowledge of different areas aimed at managing the firm as a whole, but while sons focus on line experience (production, technical branch) and commercial aspects (managing client and supplier relations), daughters choose staff functions (administration, finance, organization, human resources). While for some this choice was the result of personal inclinations and the wish to combine personal aptitudes and interests with the needs of the firm, for others the decision was induced and conditioned by the entrepreneur and relatives. The route taken inside the firm has been a decisive element in defining the successor when sons and daughters have been equally involved and interested in managing the company. Gender, therefore, is a discriminatory factor, which is not always *a priori* in the choice of the male child, but subsequently, according to *the daughter's inclinations – real or encouraged – to work in some areas instead of others, thus creating roles that are further from that of the entrepreneur.*

But if it is the son who is successor, the daughters support their brother in any way that they can, even though this reduces their inclusion in the ownership structure and limits their role in management. What pushes them in this direction? In this case, too, their *bond with the family firm* plays an important role. Interviewees speak of their ambition to take part in managing the firm and *ensure its future as it represents a value (not just financial, but also, most of all, cultural and traditional) and is an integral part of their identity.*

Interviewees see the choice of their brother as successor as obvious and understandable, because “it should be so”. This acceptance (though not free from frustration) might derive from that fact that interviewees have received an education in which gender roles were clearly separated: sons grew side by side with their fathers and got acquainted with the firm from an early age, the daughters’ involvement was more marginal, probably due to the fact that a businessman with children of both sexes will project his expectations onto the males.

3.3 Outcasts

This paragraph is dedicated to an analysis of the testimonies of Rebecca and Susan. Their stories, not devoid of suffering, tell of daughters who have tried to lead the family firm, but who – for various reasons here analysed – did not reach their goal.

Rebecca is the eldest of two daughters and since she was a teenager went to great lengths for the firm, inspired by her desire to work with her father. All went well until Rebecca, who had gained a lot of experience in the firm, made it clear that she would like to take on more responsibility. Her father blocks all her initiatives, until, exasperated by non-stop obstruction, Rebecca decides to quit the firm and invest elsewhere. To this day it is still not clear what the future of the firm will be.

Rebecca: I worked for the firm during school holidays since I was 14, and when I finished school I dedicated all my time to my job. I always wanted to be part of the firm and I gradually became my father’s assistant, his deputy. The problem was that my father never accepted my ideas for change: if the same suggestions came from a man, even if he wasn’t an employee, he would listen and approve of them. Not when they came from me. The fact that I was a woman, when he always wanted a son – who was never born – meant my ideas weren’t worthy of consideration. I always gave it my best shot, but this competition with my father led me to make a radical decision: I left the company and went to university.

Susan, an only daughter, is quick to understand that the family firm is not in her future: she grew up with an absent father, too preoccupied with his work, in an environment in which people made fun of her for being the “master’s daughter”. She graduated in Foreign Languages and worked in a travel agency for many years. Though she has a minority share in the firm, she never actually took part in it until the business went through a troubled period caused by some strategic mistakes made by the owner, and Susan decided to support him. But what’s done is done: on the one hand, Susan isn’t capable of feel the passion that would enable her to profitably commit to the firm; on the other hand, her father can’t involve her and doesn’t want to share the “secrets of the trade” with her and excludes her from dealings with clients and suppliers who consequently don’t recognize her as being her father’s assistant. Therefore, she is now there to complete work in progress and subsequently close down the company, as her father is now 72 and won’t be able to run the business much longer:

Susan: I’ve been in the firm for 11 years; I decided to join when the firm encountered management problems. I felt obliged to do it because I have always nominally been part of the business, but never took an active part in it. So I felt responsible for the mistakes my father made. But my father never accepted me, partly because I am a woman. He would say “I’ll deal with these people; this is how you do it; don’t worry, I’ll take care of it”. If I had been ready to work in this kind of company and had better skills, and if he had treated me differently, maybe I would have been able to say “I’ll take over”, perhaps if I was helped by an expert. But not like this, I have no intention of carrying on. It doesn’t interest me and I am not capable of doing it.

Two stories that, though different, speak of failed generational transfers. Why? Rebecca suffered from the lack of moral support and solidarity shown by her father, who didn’t believe in her potential. Susan always saw the family firm as a hindrance to relations with her father and other people, rather than an advantage. The admiration she had for her father and his job was set against resentment for his prolonged absences, which were caused by that very job. This was fatal for her motivation, and kept her away from the family firm for a long time, and finally, for good. What’s more, instead of dialogue, sharing, and mutual trust, the father’s attitude towards his daughter was one of closure, and this made it difficult for outsiders to accept her as well as a necessary sharing of knowledge that would have (at least partly) made up for her lack of skills. Finally, both daughters were aware of hostility from their parent, because they were women. This caused their separation from the family firm.

In closing, the testimony of a second-generation entrepreneur¹, head of a furniture production company, is reported:

I have only one child, a daughter. She is still very young and I don’t know what she will want to do when she grows up, but I hope she won’t join the firm, because sooner or later I will have to make a choice: my career or my family. Let’s say it like it is: women with high-powered jobs find it very hard to have a family too. I don’t believe in career women who also look after a family. I think the family has to have one person – the wife and mother – you can always rely on. So I wouldn’t know what would happen, or what the future of this company would be.

It will be hard for this child to grow up with a dream of working in the family firm; probably everyone (parents, grandparents, etc.) will make sure, more or less consciously, that they pass on values that are “appropriate” for the traditional role of the woman, and her ambitions will be very different.

¹ This testimony is taken from an interview that was carried out for another analysis and is not part of the fifteen that were conducted for this research. It is mentioned because it is particularly relevant to the analysis carried out in this context.

3.4 The professionals

This paragraph is dedicated to an analysis of Daphne and Valery's testimonies/statements. Both occupy important positions in the firm, but by their own choice are limited and far from occupying the role of leader.

Daphne has a degree in Law; she got married the day after graduating, and in a few years gave birth to two children. Now that her children are aged 2 and 3, Daphne is starting to take part in the firm, where her elder brother Daniel has been employed for several years as Chief Buyer. In a few years, he will probably take over completely from his father. At present, Daphne is in charge of legal issues, and in time will take over human resources. Ownership will be divided equally between brother and sister, but Daphne hopes her brother will lead the firm, allowing her to spend time with her family and hopefully even start studying to become a lawyer.

Valery is Victoria's younger sister. After earning a degree in Law, Valery was more interested in working freelance rather than joining the family firm. But subsequently she married, became a mother and realised that working in the family firm would offer her more freedom and time to be with her family. She is in charge of legal issues and finds it easy to reconcile her personal needs to her professional ambitions. Ownership is divided equally between the sisters, but Valery prefers that Victoria be responsible for running the business:

Valery: First of all, I never thought I would work in the firm. But then I married, had a child, and said to myself: "Let's try it". I was happy, I carved out my own space, I'm satisfied with what I do and can choose how to organize my time based on my family's requirements. I'm not interested in running the firm, doing my job is enough for me.

The interviewees are similar because they both recognised a professional opportunity for them in the firm and at the same time, a way of joining their private lives to their professional life. Both of them decided to focus on their family and were reassured by the fact that another family member was at hand to take on responsibility for running the firm. Both, in fact, speak of their relationship with their brother or sister in positive terms, speaking of "being on a similar wavelength", a "deep bond", "total trust". Feeling understood, accepted, appreciated and supported by their family has helped them find their own way inside the firm, as well as reconcile personal interests with professional goals.

3.5 Leaders "because they have to"

This paragraph is dedicated to an analysis of Alberta, Sylvia and Sophia's testimonies, women who were forced by random events to run the firm, choices which were often made in the midst of strong emotional involvement.

Alberta succeeded her mother following her premature death:

Alberta: I was attending a course in Oriental Languages when I was told that my mother was ill. At that time, the hotel was shut for renovation and modernization, something she had really wanted. In just a few months, I had to make a crucial decision: sell everything or take the situation into my own hands. My brother had just embarked on a military career and wasn't interested in the firm. Though until that moment I had had no part in the firm, I decided to abandon my studies and take it on. I found myself in the middle of a building site, with two gigantic mortgages to be paid and the strong feeling, that was also an awareness, that I didn't know where to start. Today I am very much attached to the firm, but in the beginning I had to make myself like it.

Even though there was a son, the firm was taken on by the daughter, but the selection of the successor was tainted by the emotional context in which it matured, a situation that had a strong influence on the young woman. Torn between her personal and professional ambition, the wishes of her ailing mother and the lack of interest exhibited by her brother, she felt “stuck in the machinery” and chose to carry on the firm “for my mother and the family”.

Sylvia is also forced to suddenly abandon her studies and enter the firm after the illness and death of her father. Only women remain in the family, her mother and three daughters, and “when all the children are girls, it’s as if they were all boys”, affirms the interviewee. Her mother takes over the firm, but Sylvia, the eldest daughter, has always worked alongside her and in time the sisters also join the firm.

Sophia’s story is less dramatic. With a degree in Geology, she works in this field for years and never thinks that she might work in the family firm. But when she realises that her elder brother isn’t suited to being a businessman, and her younger sister isn’t interested in the family business, she feels tied to the firm and reconsiders her choices. She decides to join the firm in order to guarantee that the business to which first her grandfather, then her father dedicated their lives continue.

These testimonies speak of choices that were made in situations of great emergency or need. In a certain sense they were hard to avoid, but not coerced – rather, they were born of moral obligations, by a feeling of loyalty and gratitude towards the family, towards their father/entrepreneur and the business he created. This feeling is even stronger when the parent passes away suddenly, and taking over his firm represents a way of allowing his ideas to live on.

4. Main Findings

An analysis of the testimonies has exposed factors that influence (either positively or negatively) the daughters’ inclusion in ownership and in asserting their role as leader of the family firm (Table 3).

The list is certainly not comprehensive, and taken by themselves none of the factors are decisive, but it is owing to the reciprocal influence of these variables that different routes are created. The factors are the following:

1. *family’s role in education.* A family that offers each child, gender notwithstanding, equal opportunities, supporting their choices, appreciating their gifts, passing on the firm’s values, with an affirmative outlook on the role of entrepreneur and the figure of the parent, is a positive influence on the daughters’ decision to seek and find their own route within the family firm. In this context, the role of entrepreneur is socialised and a profound emotional bond, which links the new generation to the family firm, is created without gender distinctions and even when the field of reference is still predominantly male;

2. *figure of parent-entrepreneur.* Whoever believes gender differences can be an opportunity instead of a limit gives his daughter confidence in her skills and potential. Only in these instances is it possible to found a relationship based on mutual trust and communication, especially between father and daughter, an essential requirement to nurture professional growth within the family firm. Furthermore, the father-entrepreneur figure can be particularly influential on his daughters: the pioneering histories of these people (one of those men the British call a “*self made man*”, who has become successful after having started from the very bottom thanks to his hard work and perseverance), are intensified in the family setting and are

particularly attractive to daughters, who often grow up mythifying their father and wanting to emulate him. Finally, perceiving the parent's approval of one's choices strengthens the decision to freely follow one's goals;

3. *motivation*. Some daughters are "attracted" to the entrepreneurial role, the family firm and the opportunities it offers on a personal and private level. They have grown up to perceive the family business as their own, with a desire to play an active role, to contribute to the changes and to ensure the continuity of the family firm. They exhibit "pull motivations". In other cases, daughters are "pushed" into joining the family firm by a "moral obligation" and by feelings of "loyalty and gratitude" towards the family. They exhibit "push motivations";

4. *training*. The education of the next generation is, in any case, an essential condition in the career and inclusion of any child in the family firm. As far as the daughters are concerned, it is essential. Not just to develop necessary skills, but it is also useful for being accepted by people inside and outside the firm, especially in predominantly male sectors, or if she aspires to lead the firm. Experience outside the firm should be accompanied by a gradual, diversified introduction to the family firm to show the daughter where she can best make use of her aptitudes (which might not necessarily be administrative), and the owner to understand how to emphasize her potential;

5. *role of other subjects*. Support and interest from other family members, particularly brothers and sisters, as well as being accepted by people both inside and outside the firm (such as collaborators, clients, suppliers, banks, etc.), can influence the daughter's role considerably;

6. *occasional events*. Casual events, such as the entrepreneur's sudden impossibility to continue running the business (emergency) or the failure on the part of other family members to meet the requirements of the time (need).

As well as this, another factor needs to be considered – *the composition of the next generation* – that acts transversely in relation to the others, influencing the daughters' choices and opportunities directly and indirectly, especially when dealing with leadership.

In other words, gender still weighs heavily on the definition of succession strategies. When it comes to property transfer, significant differences are not encountered: the entrepreneur prefers not to create greatly imbalanced situations. But, if on one hand we can speak of *gender equality in ownership*, on the other hand, *gender priority in leadership is confirmed*. When it comes to choosing between a son and a daughter to lead the firm, when both concerned are capable and willing to take on the future role of leader, it is still the male who prevails. The "traditional" structure in small and medium enterprises has not changed: the son is at the top and the daughter is part of the staff, fulfilling either administrative duties or organizational/human resources management. At times, this situation arises from a decision that is dictated by the gender of the successor: the entrepreneur will choose his son as successor as such. At other times, it is a natural consequence of different inclinations shown by the daughter (be they real or encouraged by the entrepreneur) that leads them to prefer working in administration, organization or human resources instead of technical, productive and commercial fields, with the consequent removal from a prominent role. Consequently, the route to leadership is easier for those who have only sisters or who do not have a "rival" brother, either because he does not exist, or because he has chosen a different career. In other cases, they occupy important positions, become the entrepreneur's "right hand man", but they

stay behind the scenes and accept that the formal position of successor is reserved for their brother.

Table 3 – Some factors that can influence the inclusion of daughters in ownership and leadership of family firm

<i>Family's role in education</i>	<ul style="list-style-type: none"> • Equal professional opportunities for sons and daughters (+) • Moral/ emotional support (+) • Development of skills (+) • Encourage positive view of entrepreneurial role (+) • Entrepreneurial Socialization (+) • Emotional bond with family firm (+) • Socialization of family firm (+) • Feelings of loyalty/gratitude towards family firm (+)
<i>Figure of parent-entrepreneur</i>	<ul style="list-style-type: none"> • Acceptance of children, gender notwithstanding (+) • Moral and emotional support (+) • Development of skills (+) • Mutual admiration (+) • Open dialogue (+) • Integration and acceptance of the daughter (+)
<i>Motivation</i>	<ul style="list-style-type: none"> • “Pull”: the daughter is “attracted” to entrepreneurial role, to family firm, to personal/professional opportunities it can provide (+) • “Push”: the daughter is “pushed” into the family firm by “moral obligation” and feelings of “loyalty and gratitude” towards the family (+/-)
<i>Training</i>	<ul style="list-style-type: none"> • Training outside of family firm (+) • Gradual, comprehensive internal training (+)
<i>Role of other players</i>	<ul style="list-style-type: none"> • Support from brothers/sisters (+) • Acceptance by other family members inside/outside the firm (+)
<i>Chance events</i>	<ul style="list-style-type: none"> • Situations of emergency (+) • Situations of need (+)
<i>Composition of next generation</i>	<ul style="list-style-type: none"> • Only daughters (+) • Sons and daughters (+/-)

5. Implications in Practice and Research

This study has useful implications in practice and research.

On a *practical* level, the study focuses *business owners'* attention on mechanisms that might encourage their daughters' inclusion in the firm, and on some elements that could have a positive influence on the generational passage in their firms. Furthermore, a greater awareness of these dynamics will allow the firm to better plan the younger generation's career, helping sons and daughters to make use of their potential and increase the value of female resources.

At the same time, it defines a framework that can guide *practitioners and advisors* in their analysis of family situations in which a generational passage occurs (not only in the working environment). It may also help them to create a “check list” to verify the presence of factors that might influence a daughter's decision to join the firm.

Besides, results suggest the promotion – by organisations, associations, and on an institutional level – of a culture that emphasizes gender differences in the world of work on a European level. Much has already been done, but the journey is far from over, especially in

typically “male” contexts – such as the situation in Italy – where, in some fields, women are still victims of discrimination. Moreover, involving daughters in leadership might guarantee better survival rates for SMEs in which the owner, not having had a male child, chooses to close the business.

In the interests of *research*, studies on the roles occupied by daughters in the family firm are still relatively recent and still insufficient. The quantitative analysis carried out in this study could be enriched with qualitative studies that, by extending research to a statistically representative sample of firms, could confirm or disprove the validity of factors that were identified. Finally, an international comparison of countries with different traditions might be particularly interesting (masculine countries such as Italy versus feminine countries such as Northern European countries). Besides, new research could further clarify the relationship between daughters and continuity in family firms. For example, it might be interesting to analyze, using large numbers, succession from founder to daughter and see whether the differences in the female style have a positive effect on the survival and development of the company, resulting in an increase in survival rates of first-generation businesses.