

# The human side of business transfer

A role transition perspective on succession in family owned firms



# Shakespeare:



- i The world is a stage – and all the men and women are merely players....

# Role

- i Role = position in a social context
- i Role enactment fulfils human needs: identity, belonging, meaning & control
- i Role identification = the definition of oneself as the role: "I am CEO"
- i Role identification = eagerness to enact the role, reluctance of role exit (potential loss of identity etc.)

# Family businesses: complex role relationships



- | Integrated roles (mother/CEO)
- | Weak, flexible role boundaries
- | Role conflict
  - | Socio-emotional role
  - | Task role

# Role transitions



- i Role exit

- i psychological disengagement from a role

- i Role entry

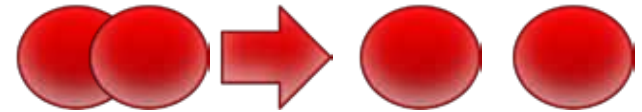
- i psychological engagement in a role

# Senior generation: Role exit and entry



- | Letting go of the role of CEO
    - | Potential identity crises
  - | Entry into a new (business) role
    - | Clear role definition – role identification
- } *Inter-role transition*

- | *Intra-role transition* of role as owner
  - | Separation from CEO role
  - | Clear role definition – role identification

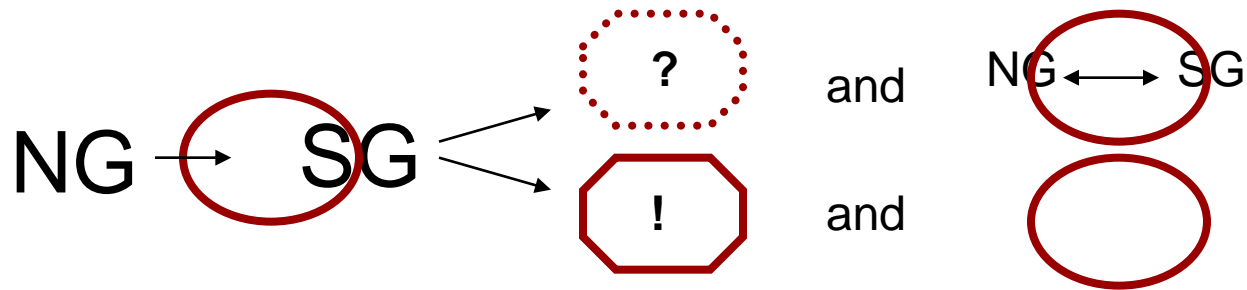


# Next generation: Entry into role as CEO



- | Role entry is easier if it is
  - | Voluntary
  - | Reversible
  - | Predictable
  
- | Takeover of CEO role = being compared to senior generation
  
- | Role innovation – a way out of the "founder's shadow"

# CEO transition: intertwined role transitions





# Business transfers as role transitions highlights...

- i ... the human, inter-individual nature of transfer processes
- i ...the need for careful preparation
- i ... the need for commitment and awareness of senior and junior generation
- i ...the need for communication
- i ...the importance of support from family and business