

# TRANSEO CONFERENCE 2012

## Improving SME Transfers



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Spa, Belgium

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# Integrating succession and gender issues

The perspective of the daughter of family enterprise  
across the U.S. and EU

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# Key figures

- Dominant form of business structure worldwide
  - > 50% EU (35-65% GNP)
  - >70% Belgium (55% GNP)
  - > 95% U.S. (40-45% GNP)
- Only 1/3 of family businesses worldwide successfully manage the generational transition
- Survey data in Belgium:
  - 57% of family business leaders are 50+ years old
  - Lack of succession planning / no identified successor
  - Only 8% of successors designed are daughters

PWC Family Business Survey / Pirnay & Surlemont, 2007

# Main Contributions

- How gender dynamics impact the succession process in family businesses from the daughter's point of view
- Why the better understanding of these gender dynamics is an advantage for family businesses and their constituent actors

# Career aspirations of daughters

- Daughters' self-perceptions and aspirations in link with society values and norms
- Motivation to engage in the family enterprise
  - Depends on their environment, their perceptions and their family's attitudes and wishes
- Shifts in women's opportunities
  - New carrier paradigm, changing roles of women
  - Independence, social networks, self-confidence

But...

- A social environment that challenges daughters' participation to leadership in family firm

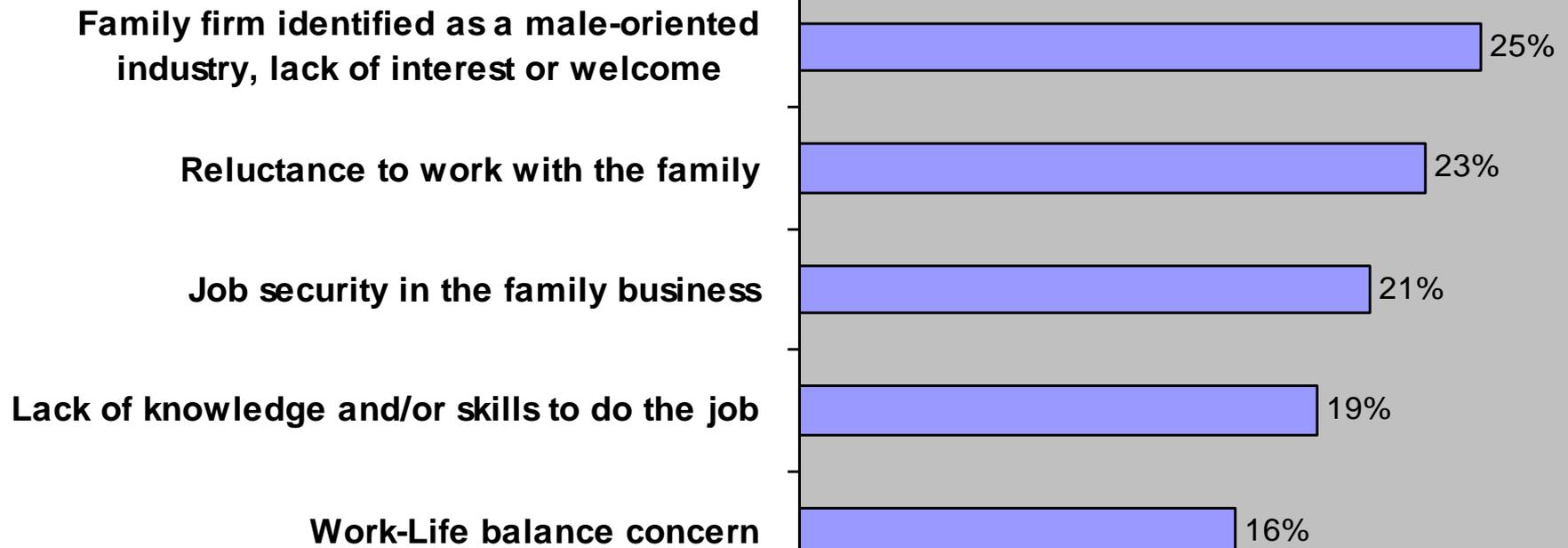
# Two empirical studies

- Survey research: United States
  - Career intentions of family business daughters, in relation to their family entrepreneurial opportunities
- Qualitative interviews: Belgium
  - Online-administered survey with 541 female business students / incl. 138 daughters of family enterprise (26%)

# Entrepreneurial intentions of daughters

- Daughters of family business are more interested than the others in being an entrepreneur (84% compared with 60%)
- But NOT in their family business
  - Only 12% were sure that they wanted to build their careers in the family business
  - While 87% stated their intention to launch their own business separate from the family firm

# Challenges to working in the FB



# Two empirical studies

- Survey research: United States
- Qualitative interviews: Belgium
  - Role and position of daughters in the family business, during the succession process
  - In-depth interviews with 11 daughters of family firms, audio taped and fully transcribed, diversified cases
  - Vertical and horizontal thematic analysis with ‘Cassandre’

# Daughters' aspirations and succession process

- **Presence of a brother, identified as the successor**
  - No pressure regarding the firm management: free career path or pressured to play a supporting role
  - Less access to resources, less well prepared, difficulties in personnel management, lack of legitimacy
  - Increased difficulties if 'push' motivations and in sectors perceived as masculine
- **Daughter as the natural successor from the beginning**
  - Parents' support, succession planning and preparation
  - Study & career choices, on-the-job training, leadership experience, social network, mentoring

# Daughters' aspirations and succession process

Dad did everything in order that I continue, because he was angry that my brothers did not want to take over the business (Liliane)

My father always encouraged me to work with him; he was very enthusiastic about this idea and I made my studies for this specific purpose (Marion)

He was putting more pressure on my brothers, but not really on me (Anne)

At the beginning, some workers wanted to test me as a young woman, and also because they had known me as a child (Sarah)

Regarding my father's contacts, these are people I have known for a very long time, and the fact that he is behind me makes things easier for me (Marie)

# Gender and the daughter's position

- **In society**
  - Men's and women's realities shaped differently by society
  - Entrepreneurs' characteristics <--> Masculine characteristics
- **In families**
  - Expectations about the daughter's role, psychological barriers to the participation of daughters in leadership
  - Daughters as 'invisible' / 'default' successors
- **In businesses**
  - Daughters' own perception as potential leaders, ease and success in assuming the leadership role
  - Lower access to resources, lack of preparation, legitimacy

# Conclusion: Why better understanding gender dynamics is an advantage?

- Family may acknowledge existing gender stereotypes and their influence on daughters' and sons' roles
- Daughters and other family members may counteract gender dynamics
- To help daughters to realize their business opportunities in the family firm, and increase their professional options
- But also to enhance the family business' leadership resource pool