

To survive or not survive

A best practice analysis about agricultural family firm succession

In March 2017 Pauline van de Voorde graduated from the Tilburg School of Economics and Management at Tilburg University. Pauline followed the MSc Strategic Management and wrote her master thesis in the area of family firms. The following text is a summary of the MSc thesis.

This study researches which characteristics of the agricultural family firm succession influence the level of satisfaction with the succession process. This is done by a qualitative empirical study on the succession process. The literature review shows what the succession process is and how it can differ. The literature elaborates on the process of succession, definition of the agricultural family firm, what satisfaction is and how it can be measured. Based on these four contexts of the succession process: incumbent influences, successor influences, family influences and business influences, the level of satisfaction changes. Satisfaction is measured through incumbent's and successor's level of satisfaction, the expected outcome and the experienced outcome deriving from the discrepancy theory and the financial satisfaction. This is done by an empirical research, through conducting interviews with agricultural firms. Incumbents and successors are separately interviewed about incumbent influences, successor influences, family influences and business influences, the level of satisfaction changes. Results show that the level of satisfaction is higher when succession is being planned. In addition, a good relationship between the successor and the incumbent increases the level of satisfaction. Which also is the case for the relationship of the incumbent or successor with an external party such as an accountant or a bank. The biggest obstacle of family firm succession within the agricultural sector is family conflict, which can be avoided by communicating and establishing good relationships within the family.

If you are interested in the master thesis you can contact the Tilburg Institute of Family Business via tifb@tilburguniversity.edu and request a pdf file.