UNIVERSITY OF CAPE COAST

SUCCESSION PLANNING IN FAMILY BUSINESS: A CASE OF KETU SOUTH MUNICIPALITY

BY

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DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature …………………………….. Date ………………………..

Name ……………………………………………………………………………….

Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature …………………………….. Date………………………..

Name ……………………………………………………………………………….

ABSTRACT

The study investigated the importance of succession planning, factors influencing succession planning and practices in succession planning in family businesses. The population included all family businesses in the Ketu South Municipality (KSM) of Ghana. The sample size 10, and participants were sampled using snowball method. Each business owner was interviewed, using an interview guide. Spiral model of content analysis was used for data analysis. The results showed that succession planning maintained cultural practices, leadership transition, business continuity and employees support family executives without envy. Factors influencing succession planning are reluctance to let go of control and power, transparency, family taboos, and spouses' resistance to change. Best practices identified are top managements' involvement in succession planning, focusing on specific goals and development programs. Comprehensive assessment based on competencies, talent databases and identifying future talent were not practiced. As a result, business owners in the KSM should have role models to encourage them to overcome succession planning fears. Besides, assessment programs, talent databases and future talents should be identified for effective succession planning best practices.

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DEDICATION

To my two sons, Tim Dusor and Tom Dusor

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CHAPTER ONE

INTRODUCTION

The study is on succession planning in family businesses: A case of Ketu South Municipality. Family businesses' future plans may change by some reasons such as retirements, serious illness, death or any voluntary departure from the family businesses by a family member to follow a career elsewhere (Mehrabani & Mohamad, 2011). Investigating this gap has become imperative as lack of succession planning in family businesses would lead to lack of continuity and collapse of family businesses. Statistics from prior studies, showed that most family businesses fail to survive into next generations due to improper succession planning (Buhler, 2016). Succession planning was researched in relation to other variables in Ghana without family businesses in Ketu South Municipality. This study's practical implications on family businesses in Ghana is obvious as recommended suggestions provided would improve succession planning in family businesses.

Background to the Study

Succession planning has been defined differently by various researchers. According to Rothwell (2010), succession planning is any effort designed to ensure the continued effective performance of an organisation, division, department, or work group by providing for the development, replacement, and strategic application of key people over time. Similarly, Hawthorne (2012) has noted that succession planning is an active planning to ensure that the organisation will have the right people in the right place at the right time for the right job focusing on managerial positions. It is worth noting that these definitions stressed on active molding of people to take up leadership in order to achieve organisational goals. Also, the definitions stressed on importance of succession planning.

Importance of succession planning in organisations, according to Mehrtak, Vatankhah, Delgoshaei and Gholipour (2014), succession planning promotes the culture of private ownership, improves staff loyalty to the organisation, develops organisational commitment, and increases organisational stability. It is therefore strategically important in any industry to plan for succession as it makes employees cognizant of the new leader and gives time to acclimate to the idea of that person taking the helm of the organisation (Seniwoliba, 2015). Again, Salish and Tribes (2016) have asserted that succession planning is used to anticipate the future needs of organisations as managers and specialists retire, move into different positions, or leave employment. Succession planning therefore assists in finding, assessing, and developing the human capital necessary to the strategy of family businesses.

Literature in family business, as provided by many researchers (Litz, 2008; Perryer & Te, 2010), has no general definitive agreement on what should be considered a family business (Debarliev & Janeska-Iliev, 2015). Therefore, while Lee-Chua (1997), as cited in Perryer and Te (2010), described family business as a firm in which at least 50 percent of the ownership and management falls within one family – whether related by blood or marriage, Litz (2008) posited that a business becomes a family business when two otherwise distinct, unconnected systems, of which one being a family and the other being a business, start to exercise influence over one another. Family businesses are, therefore, distinguished from corporate ones through the word family which involves family members working together. Nevertheless, while Litz (2008) focuses on level of influence, Perryer and Te (2010) focus on percentage of ownership which are supported by theories.

Systems theory of family business, according to (Clifford, 2008) incorporates three overlapping circles. One circle represents the family, another circle represents owners of shares in the business and the third represents business or management. Another theory which come to fore in explaining family business is agency theory which describes the relationship between one party, the principal, who designates tasks and decisions to another party, the agent (Mitchell & Meacheam, 2011). These theorist, Clifford (2008), and Mitchell and Meacheam (2011) are of the view that there is a interrelationship effect between the owners of the business and the managers as well as the employees. Either the managers or the employees can be the children making the concept, family business important and unique.

Importance of family businesses cannot be gainsaid. Schwass (2013) asserted that family businesses have the potential to outperform any other form of business organisation through their inherent synergies between capital and management as they are guided by the uniquely powerful value of wanting to build a healthy business that they want to pass on to their children. Similarly, Wusyk (2018) believed that families keep business close to home which support is available as employers, stewards and passionate members of their communities. Also, Wright, Massis, Scholes, Hughes and Kotlar (2016) noted that family business is highly relevant from a practical point of view because there is a growing body of evidence that family firms use entrepreneurship and innovation to nurture their competitive advantage to overcome economic and financial downturns which succession planning in family business is important.

Family business and succession planning are interwoven. Family business succession, therefore, is the process of transitioning the management and the ownership of a business to the next generation of family members in which the members typically play a controlling role in both the management succession as well as the ownership succession (Walsh, 2011). As a result, planning for the inevitable succession can help lessen the turmoil of leadership change in family business although talking about retirement or death may be difficult to family leaders as they owe it to their legacy and business (Lees & Malone, 2012). Buhler (2016) has asserted that most family businesses in Kansas, USA, fail to survive into next generations due to improper succession planning which Ketu South Municipality family businesses are not exception.

Family business succession planning in the Ketu South Municipality is imperative as the Municipality serves as the Eastern Gate-way to Ghana where continuous cross-border trading activities occur (Nyarko, Akitty, & Dzakpasu, 2014). According to the 2010 Population and Housing Census which is the only published literature available on the Municipality by Nyarko et al. (2014), there are three major market centres that attract sellers and buyers from all parts of Ghana and the Republic of Togo. These markets are located in Denu, Agbozume and Aflao with seven commercial banks operating in the Municipality namely, the Ghana Commercial Bank Limited, United Bank of Africa (UBA), Ecobank, Barclays Bank, the Agricultural Development Bank (ADB) Avenor Rural Bank limited and Unity Rural Bank.

The 2010 Population and Housing Census recorded a total population of 160,756 with females dominating by 52.9 percent which is largely influenced by the influx of immigrants mainly from the nearby countries: Togo, Benin, Nigeria and Niger (Nyarko et al., 2014). The Municipality is the second most urbanized in the Volta Region after the Keta Municipality with only one heavy industry - the Diamond Cement Factory at Aflao. The people are also into small scale manufacturing, construction and mining (salt mining). Another important traditional industry which employs quite a number of people is the 'Kente' weaving which is family based. It is remarkable that, activities being carried out traditionally affects market of products and business continuity (Nyarko et al., 2014). Hence, the quest to study succession planning in family business to investigate the challenges and the factors as well as the practices that can lead to improved succession planning in family business within the area.

Statement of the Problem

The studies that investigated succession planning and family businesses have different perspectives. Bhalla and Kachaner (2015) studied succeeding with succession planning in family businesses in India and asserted that for many family-owned businesses, succession planning is the proverbial “elephant in the room.” Thus, despite recognizing the importance of selecting and preparing a successor, the leaders of a family business often do not give succession planning the attention it deserves. Perryer and Te (2010) conducted a study on management of succession in Chinese family owned businesses in the Philippines and revealed that entrepreneur’s ability to find an identity outside the business is the key to meaningful retirement, which in turn enables generational transition in the management of the company. Therefore, incumbents should separate work from personal life and treat family business succession as a process rather than an event.

Walsh (2011) investigated family business succession; Managing the all-important family component in Canada and noted that while the majority of family business owners would like to see their businesses transferred to the next generation with certainty. This is because, according to Walsh (2011), the issues of successors and succession reigns supreme in the lives of family businesses. It is estimated that seventy percent (70%) will not survive into the second generation and ninety percent (90%) will not make it to the third generation.

Even though previous studies identified that lack of succession planning could lead to inefficiency and ineffectiveness in family businesses with those statistics, research is yet to be done in Ketu South Municipality of Ghana. Meanwhile, a 2010 census conducted by Nyarko et al. (2014) indicated that self-employed businesses without employee(s) at the Municipality was 49,401 representing 72.9% while self-employed with employee(s) was 2,356 representing 3.5%. However, family members contributing to family business was 3,097 representing 4.6%. The huge reduction in the number of employees by self-employed in the Municipality raised questions of whether or not the majority of self-employed could not employ family members who would in turn succeed these businesses or businesses without employee(s) with 72.9% representation have any plans of pursuing succession planning.

It is, therefore, surprising that succession planning, which takes a pivotal aspect of transiting family business from one generation to the other is rather left with no studies in this municipality. Two investigations into approaches to succession management of leaders in higher educational institutions; University of Cape Coast and University for Development Studies, found that the universities do not adopt any formal succession approach due to dependence on their statutes of seniority and the corporate strategy of the institutions with no formal succession plan (Oppong, Oduro-Asabere & Owusu, 2016; Seniwoliba, 2015). These, studies hither too, did not investigate succession planning in family businesses.

The only study on succession planning in family businesses in Ghana that has been sighted was conducted in the Wa Municipality of Ghana; and its findings indicated that many of the family businesses have no formal or written succession plans for their businesses (Saan, Boateng, & Kamwine, 2013). This study, therefore, seeks to research into succession planning in family business in the

Ketu South Municipality in order to add to the limited understanding of family business succession planning in Ghana.

Purpose of the Study

The aim of the study was to investigate the perception of respondents with regard to the importance of succession planning to family businesses and factors influencing succession planning in family businesses. The research also explores succession planning practices in family businesses in the Ketu South Municipality of Ghana.

Research Objectives

The specific objectives of the study were to:

1. Determine the perception of respondents with regard to the importance of succession planning to family businesses in the Ketu South Municipality of Ghana.
2. Analyse succession planning practices in family businesses in the Ketu South Municipality of Ghana.
3. Examine the factors influencing succession planning in family businesses in the Ketu South Municipality of Ghana.
4. Recommend the aspect of succession planning in family business that needs to be practiced in the Ketu South Municipality of Ghana.

Research Questions

The research questions of the study were:

1. What is the perception of respondents with regard to the importance of succession planning to family businesses in the Ketu South Municipality of Ghana?
2. What are the practices in succession planning in family businesses in the Ketu South Municipality?
3. What are the factors influencing succession planning in family businesses in the Ketu South Municipality?
4. What is the recommendation for succession planning aspect in family business that needs to be practiced in the Ketu South Municipality of Ghana?

Significance of the Study

This study is useful for family businesses, business organisations and government. Findings from this study would have considerable benefits to the family businesses within this study area since they would become sensitive to factors impinging on the succession planning of their businesses and how they can effectively manage these factors to enhance productivity, profitability and survival. The study is also useful to government in the formulation of policies towards family business development.

Delimitations

This study covered succession planning in family businesses in Ketu South Municipality. The study basically focused on perception of respondents with regard to importance of succession planning in family businesses, factors influencing succession planning in family businesses and the practices in succession planning in family businesses in the Ketu South Municipality.

Limitations

The research process encountered a couple of constraints, including financial constraint with the cost of sourcing information being on quite a high side, through visiting various family businesses in the various towns in the Municipality. This made it difficult to do a lot of case studies thus limiting the ability to generalize. Also, there was less previous research on the topic in the Ketu South Municipality of Ghana making it difficult to do comparison with the conclusions drawn from the findings.

Organisation of the Study

The study was categorized into five chapters. Chapter One gave a brief introduction and presented the background to the study, a statement of the problem, purpose of the study, research objectives, research questions, the significance of the study pointing to who and how the result of this study could be used, the scope or delimitations of the study, limitations to the study highlighting weaknesses in conducting this research and how this affected the results obtained.

Chapter Two which is the literature review focused on theoretical, empirical and conceptual framework of the study. In addition, the chapter discussed the perception of respondents with regard to importance of succession planning to family businesses, factors influencing succession planning in family businesses and practices in succession planning in family businesses in Ketu South Municipality of Ghana.

Chapter Three outlined the methodological perspectives of this study. These included the strategies and instruments adopted in relation to the research design, study area, population of the study, sampling procedures, data collection, processing and analysis while Chapter Four presented the results and discussions of the field work analysed. The final chapter, Chapter Five, gave a brief summary of the study and the main findings and conclusions with regard to the new knowledge derived. Recommendations for succession planning in family businesses in the Ghana were made.

Chapter Summary

The Chapter introduced the topic by describing the background to the study, including the importance of the study and gaps which necessitate for the research. Among the gaps was the lack of research in succession planning in family businesses in the Ketu South Municipality. The research objectives and questions focused on respondents' perception on importance, practices and factors influencing succession planning in family businesses. In addition, limitations, how the data collected was analysed and the study organized were dealt with.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

Introduction

The study dealt with succession planning in family businesses in the Ketu South Municipality of Ghana. Current knowledge/literature on the topic was reviewed and findings were compared from theoretical and empirical studies conducted on the topic in order to identify themes that can help shape the field work. It also includes construction of a conceptual framework that shows diagrammatic representation processes relating to the topic of the study.

Theoretical Literature Review

The study adopted the Scharmer's Theory U-Model and Relay succession planning model. In relation to family business, the researcher employed the System's theory, Agency theory, Stewardship theory and Resource-based theory of Family Businesses.

Scharmer's Theory U-Model

According to Scharmer (2007), succession planning should be viewed as leading from the immediate future using a premise of a U process of five movements that can make change possible. These movements; co-initiating, co-sensing, presencing, co-creating and co-evolving can help an organisation to embrace change and implement succession planning strategies and practices in the organisation for an emerging future (Kolhatkar & Banerjee, 2015; Maguta, 2016). The stages are depicted in Figure 1.

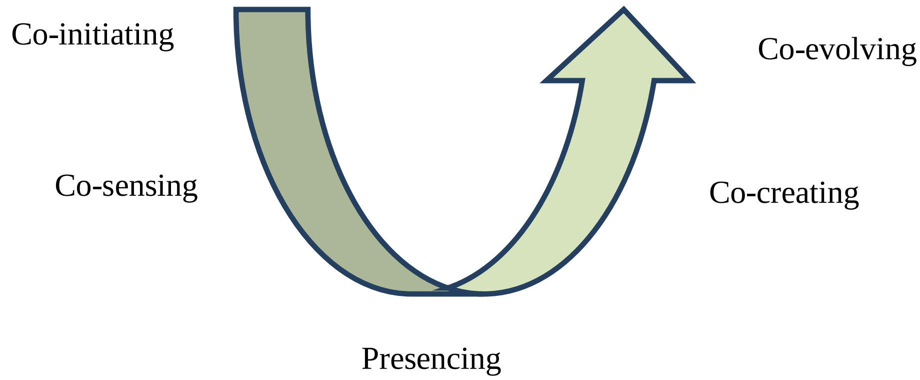

Figure 1**: Scharmer's Theory U-Model**

Source: Scharmer (2007)

The theory starts with "Co-initiating", which the organisation establishes a common purpose with all stakeholders about a future event, in this case about planning for succession. This stage is followed by "Co-sensing", which the organisation tries to gather new ideas through collective input, regarding the possible models and strategies to suit the organisational structure. Presencing is the third stage which indicates that future starts emerging as a possible reality. Failure to "presence" is one of the reasons why most organisations lulled into a false sense of security that ignores the possibility of facing challenges of vacant key positions without groomed successors. The forth level, Co-creating, is when organisation's top management involved in succession planning process groom potential candidates for key positions before the predecessor may retire. At the co-creating stage, a group of change agents make the future possible.

Co-evolving, the last stage, is the level at which the leadership evaluates, out of many, which prototypes are practical and beneficial and then the innovation is truly embraced as a strategy for the organisation (Adewale, Abolaji, & Kolade, 2011). Scharmer's principles, according to Kolhatkar and Banerjee (2015), are applicable to the succession planning process as companies that adopted "Scharmer's U" process have scaled to the next level and have seen lasting results.

Relay Succession Planning Model by Santorin (2004)

The Relay Succession Planning model advocates that the position (baton) that is about to be vacant should be passed to the successor over a long period of time (Santorin, 2004).The successor would be exposed to the corporate challenges in the pre-succession phase under the guidance of the person who is designated at the soon to be vacant position and hence he/she is tested at the period of his/her training under the predecessor (Ogunyomi, 2013). This, therefore, allows organisations to have time for selection, training, assessment, grooming of the successor before a leader at the key position retires. The model emphasis timing (Yusuf, Jayeoba, & Ibironke, 2017). The successor works with the departing incumbent and, hence, performs better, because he/she is already tried in decisiveness and crisis management (Oppong et al., 2016).

Systems Theory of Family Business

The theory incorporates three overlapping circles (Clifford, 2008). One circle represents the family, another circle represents owners of shares in the business and the third represents business or management, as depicted in Figure 2.

Named as Bivalent attributes derived directly from the overlap of family, ownership and business/management memberships, Tagiuri and Davis (1996) proposed a theory which conceptually account for many important behavioral characteristics of the family business. This made the family businesses dynamic system in which integration is achieved by adjustments between family, management, and ownership subsystems (Barrett, 2014). As a result, individual perspectives of family and business may differ, leading to overemphasis on one sub-system at the expense of others.

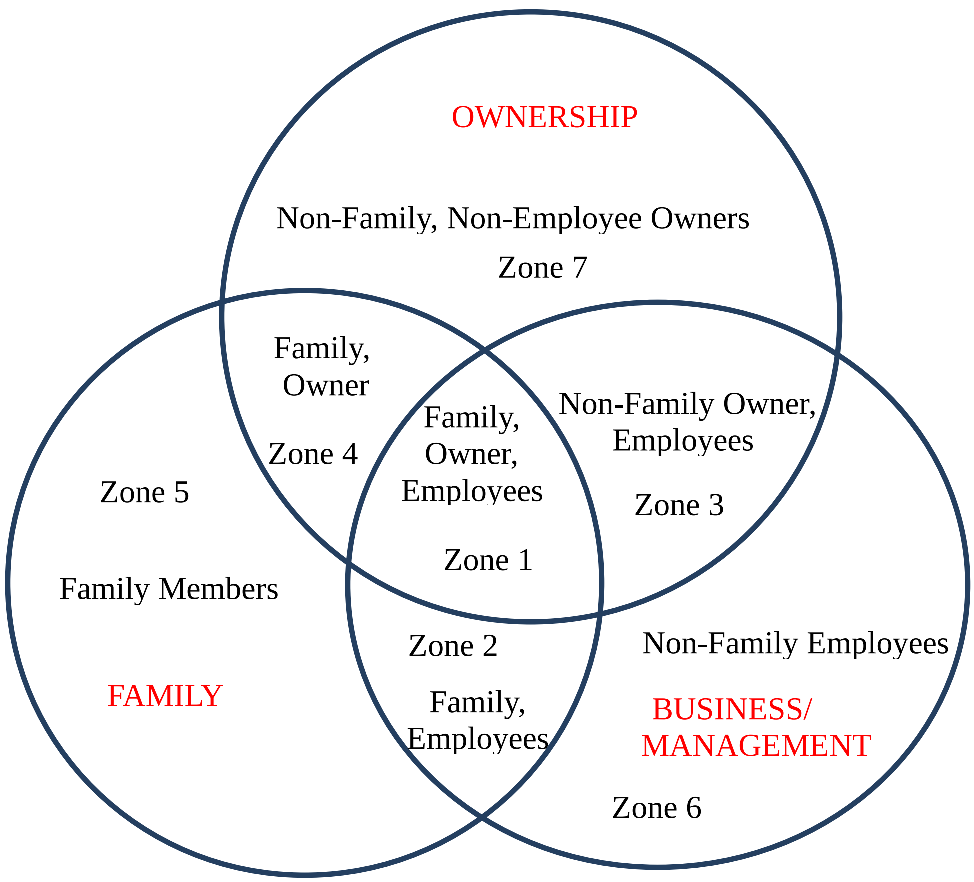

***Figure 2.* The System's Theory Model of Family Business**

Source: Adapted from Taguiri and Davis (1996).

From Figure 2, members of zone 1 are people who play roles as members of the family, business employees, and business shareholders at the same time. As family members, they are concerned primarily with the welfare and the unity of the family; as owners they are interested in return on investment and in the viability of the firm; as managers, they work toward the firm's operational effectiveness. This person generally has a good understanding of the family as well as the strengths and weaknesses of each family member. The person also knows the business inside and out as well as in a perfect position to help the family fully benefit from the company and vice versa (Barrett, 2014). Again, the person is responsible for arbitrating conflicts between the family, the company, and the owners and should not be confused with the roles of head of the family, head of the company, and owner.

The members of zone 2, from the Figure 2, consist of people who are family members and employees of the business at the same time, but do not own shares of the company. Continuing in this vein, seven different zones are distinguished into which each person linked to the family business, whether closely or not, can be placed (Tagiuri & Davis, 1996). The issues are different for the people in zone 4. These family members own shares in the company but do not work in it (Clifford, 2008). There is a strong possibility that they are more interested in the dividends they can receive in the short term than they are in the long term performance of the company. By becoming aware of the interests of the people in zone 4, the owner manager will be in a better position to make the right decisions (Barrett, 2014).

Agency Theory of Family Business

Agency theory is based on the relationship between one party, the principal, who designates tasks and decisions to another party, the agent. The focus of agency theory stems from assumptions that the agent will behave opportunistically, particularly if their interests conflict with the principal (Mitchell & Meacheam, 2011). In a situation, where the principal and agent have the same interests, no conflict of interest exists and no agency costs arise (Kraizy, 2013). This is a contract for the unit of analysis between principals and agents. Principals delegate work to agents, anticipating that agents will complete these demands in the principals' best interest. However, ever-evolving legal issues associated with common employment relationships blur the defined relationship between principal and agent (Bendickson, Muldoon, Liguori, & Davis, 2016)

In a family business, owners and managers are members of the same family, so it is sometimes argued that there are no agency problems in family firms (Barrett, 2014). More recently, however, researchers have pointed to a special form of the agency problem in family businesses with assertion that some of the seminal influences to agency theory has limited its explanatory power in terms of the modern day business (Bendickson et al., 2016). For example, a spirit of misplaced altruism and maintaining family values may lead the owners to appoint family members to positions which they are less qualified. Such actions, while helping a family member, reduce firm performance. This notwithstanding, Chrisman et al. (2004), as cited by Madison, Holt, Kellermanns, Ranft (2016), maintained that agency theory offers a rich and fruitful frame of reference by which the peculiar problems of family businesses might be studied and solved.

Stewardship Theory of Family Business

Stewardship theory describes the relationship between two parties, the principal and the steward-manager (Davis, Schoorman, & Donaldson, 1997). The theory arises as opposed to a model that established the agency theory. This model holds that the interests of management are aligned with the interests of the principal, in contrast to the selfish motivations holding agency theory (Pelayo & Camarena, 2013). Like agency theory, it addresses the relationship from a behavioral and a governance perspective. It portrays managers as stewards, whose behavior is based on an intrinsic desire to serve the firm and will therefore naturally align with the principal's interests (Hernandez, 2008; Zahra, Hayton, Neubaum, Dibrell, & Craig, 2008). Also, governance mechanisms that empower steward behavior are prescribed to facilitate the continued alignment of interests resulting in pro-organisational behavior and increased firm performance (Davis et al., 1997).

The model stresses the way firm owners see themselves as holding the firm in trust for future generations making it more appropriate as compared with agency theory in family businesses (Barrett, 2014). Madison et al. (2016)**,** in supporting this assertion, suggested that governance trust systems mechanism exists that encourage cooperation and involvement in facilitating the natural alignment of interests between the manager and principal in this theory which lead to higher family business performance. Also, the theory is ideal theory for explaining governance in the family business context (Davis, Allen, & Hayes, 2010). Manager appreciates the value of collaboration using their initiative to promote success, establishing bonds of trust. This has a positive attitude toward harmony groups avoiding conflict or confrontation (Pelayo & Camarena, 2013).

In this theory, Davis et al. (1997) and Woodman (2017) asserted that the behavior of the Steward is directed towards collective and organisational goals rather than individual, achieving greater and better results through cooperative behavior, featuring a positive relationship between; the successful performance of the organisation, the maximizing of shareholder wealth and the satisfaction of the principal and stakeholders, with; the wishes and interests of the Steward seeking to align personal goals with organisational, has a high intrinsic motivation, values the commitment and trust as a means of organisational identification, and has a long-term vision and seeks to meet needs of high order and self-realization. The owner of a family business is unwilling to give up management to others because he thinks that there is no competent family member they can trust.

Resource-Based Theory of Family Business

Resource-Based theory focused on competitive advantages and their sources that aim to answer the question of why some firms outperform other firms. It deals with the heterogeneity among firms within a particular industry and the success factors of the outperforming firms (Kraizy, 2013). Ferreira, Azevedo and Ortiz (2011) suggested the theory is about a set of resources and capabilities that promote the growth of the small firms including the executive managers that seem to have a predictive value on growth. This means that family businesses which grew seem to have resources and develop more capabilities and took advantage in the search for those competences.

Resource-based view theorists largely recognize that the interactions among family unit, business entity, and individual family members can lead to competitive advantages or "familiness" in family firms over nonfamily competitors (Fang, Memili, Chrisman, & Welsh, 2012). In this regard, "familiness" which is a capability that is not easily imitated often stems from the spillover of family norms to family business decision-making by converging family member behaviors, creating and maintaining family business identity, implementing informal human resources practices and manipulating the overlapping of social networks between the family and the business systems (Almarri & Gardiner, 2014). However, in the quest to maintain this resource (i.e. "familiness"), the button of managing family business is handed over to family members that are not competent.

Furthermore, Chrisman, Chua, and Pearson (2012), noted that the adoption of family norms can facilitate the manifestation of family socio-emotional wealth in planning for strategic behaviors so that oftentimes family-centered non-economic goals, rather than the economic rationality of the business, dominate decision-makings in family businesses. In addition, family-centered strategic behaviors may further differentiate family firms from non-family firms by developing family norms (Eddleston, Kellermanns, & Sarathy, 2008). For example, family firms are inclined to exploit family and kinship networks, tacit knowledge transfer, supplier and customer orientation, family reputation, and family social capital (Pearson, Carr, & Shaw, 2008) that nonfamily firms are less willing and/or less capable to develop.

Family norms are intangible, yet valuable, nonfamily firms are not likely to perfectly imitate or find appropriate substitutes. Hence, family scholars tend to believe that the adoption of family norms are the fundamentals of competitive advantages in family firms (Chrisman, Chua, & Sharma, 2005; Pearson et al., 2008)

Empirical Literature Review

This review dealt with perception of respondents with regard to importance of succession planning to family businesses, practices in succession planning and factors influencing succession planning in family businesses in family businesses in Ketu South Municipality.

Perception of Respondents with Regard to the Importance of Succession Planning to Family Businesses.

A study conducted by Akinyele, Ogbari, Akinyele, Dibia (2015) to find out the effect of succession planning on organisational survival shows that succession planning processes are significant for transferring institutional knowledge and preserving institutional memory. Hence, employees perceived the need for career development as a requirement for advancement by meeting the succession needs of the institution while ensuring the survival of the institution. Also, Dauda (2013) asserts that most organisations in particular, family businesses in Nigeria will be heading for leadership transition crisis unless effective succession planning, which is a critical tool for ensuring lasting organisational improvement is urgently integrated into organisational culture.

Bhalla and Kachaner (2015) asserted that succession planning motivate the best employees and foster their support in managing the company's most talented non-family executives, especially challenges during the succession process by ensuring that these executives have opportunities to develop professionally and take on new responsibilities with morale remaining high. Therefore, involving executives in the succession process can help to foster their support for the new leader by asking them to serve as mentors for the successor or lead special projects relating to the succession. Hence, the new leader with a strong and supportive senior team is key for full succession planning. As a result, effective organisations cannot afford to passively wait for the future; they must create it by investing their time, thoughts, and planning in order to ensure the quality and continuity of their leadership talent (Kaihongani, Shukla, Zenon, & Mbabazize, 2016)

Rothwell (2010) noted that number of reasons account for importance of succession planning, including global shortage of skills and expertise, and rapidly changing business needs. Therefore, having internal talent that knows and understands the business would be ready to backfill key positions as compared with searching outside the organisation for talent. Also, it ensures workers and leaders are ready when needed and helps in following the organisational strategy to upskill the organisation to replace aging workforce to avoid some risk of losing talent.

Furthermore, a study on succession planning in the Iranian health system revealed that lack of succession planning could lead to inefficiency and ineffectiveness in health services provision with recommendation that implementation of succession planning could maximize human resources utilization (Mehrtak et al., 2014). Similarly, a study explored and examined succession in relation to family business continuity and came out that true succession will mediate the relationship between Founder, successor and environment, and family business continuity (Lucky, Minai, & Isaiah, 2011).

Frick-Becker (2015) suggested that to cope with the difficulties, expectations and emotions of what can be a touchy subject, family businesses must proactively plan for succession and openly discuss the details of the process. Also, family businesses must utilize tools which simplify the situation as a poor planning will often lead to disputes, poor customer experiences, business decline and financial pressure. Therefore, to maximize the value and potential of the business, the exit plan is required to be implemented well in advance, allowing time for a smooth transition and any unforeseen contingencies. It has, therefore, become apparent that to secure the legacy and continue the extraordinary history of family business excellence, care must be taken to grow talent from within and take the opportunity to leverage the mentoring opportunities before the retirement of many key leaders. (Gordon & Kibblewhite, 2008; Barginere et al., 2013).

Attaching importance to succession planning, United States Office of Personnel Management (2009) revealed that Congress recognizes the importance of succession planning in building the Federal leadership bench strength (i.e., the readiness of the internal talent pool to fill key leadership positions). It follows that agency leaders are required to establish, in consultation with Office of Personel Management (OPM), a comprehensive planning succession program for developing future managers and agency leadership. The Office of Personel Management (OPM) for the purpose of strengthening current and future organisational leadership capacity rather than just replacing individuals recognizes the need for a strategic succession planning system. Effective and proactive succession planning, therefore, helps the organisation to be well prepared for all contingencies. Successful succession planning builds bench strength (Haroski, 2010).

Producing a guide to describe best practices for passing family businesses from one generation to the next, Federation of European Accountants (2016) noted that planning business succession is an important element of business strategy and should be a priority which its failure to plan generational change may leave a business with heirs who are unprepared or uninterested; the result is unnecessary business failure. This means that a successful entry of a new generation into the top positions of the family business is not a single event but should be part of a long-term and planned process of change contingent on strategies that sustain the harmony and consent of family members and employees for the proposed succession. This will minimize threats posed by generational change to the business and to family wealth.

Succession planning helps to capture knowledge from key, skilled, employees with years of experience, working relationships, and information before they exit. This information allows managers to consider the widest number of candidates for any open job as the organisation relies on staff to carry out the mission and the vision and of the business (Haroski, 2010). To determine the extent of succession planning by owners/founders of family businesses and its importance in ensuring the continuity and prosperity of businesses in the Wa Municipality, Saan et al. (2013) appreciated succession planning as an important aspect of business continuity, but indicated that many of the family owned-businesses in the Municipality did not have formal or written succession plans for their businesses.

Succession planning in family business is important, as it brings about retention strategy, employee satisfaction, higher quality service, career development and motivates the best employees to support management. It also helps internal talents to know that the business would be ready to backfill key positions and secure the legacy as well as continue the extraordinary history of family business excellence. Finally, it prevents generational change which may leave a business with heirs who are unprepared or uninterested in family business.

Best Practices in Succession Planning in Family Businesses

Caruso and Groehler (2007) conducted a study on emerging best practices in succession planning and came up with six (6) best practices. These are top management involvement in assessment of key positions and provision of resources; Targeted processes to focus on clearly defined specific goals; comprehensive assessment programs based upon competencies; creation of talent databases incorporating performance, assessment, demographic, education, experience, and career interests; identification of future talent requirements; and structured and individualized development programs. These best practices were supported by Haroski (2010) in a study to find out the importance of succession planning and best practices and are discussed in the following paragraphs.

Top management involvement, according to Caruso and Groehler (2007) and Seniwoliba (2015), involves communicating the importance of planning for the future, allocating adequate resources for the plan, modeling of effective coaching and development as well as key development resource to high potentials in the family business. In doing so, according to Clifford (2008), practices for a good succession plan should meet the needs and goals of the business owner, and other important stakeholders in the family business. In other words, all the major stakeholders should be involved in the planning and retain the relationships necessary for the business to succeed and assessment of key positions (Haroski, 2010).

Targeted processes comprised clearly defined set of goals, meaningful executive reviews, eliminating administrative burdens, using technology to facilitate data gathering, identification of key talent tracking and decision making (Haroski, 2010). These processes, according to Roszko-Grzegorek (2008), specify managerial functions and performance standards, ensure continuity in management practices, identity outstanding candidates for senior management posts and satisfy the aspiration of employees for career advancement. Clearly defined set of goals guide actions to enhance the quality of the succession plan and believed to build a competitive advantage through the superior development of successor's leadership talent.

Oduwusi (2018) described comprehensive assessment of talent or needs driven assessment as behaviorally defined competencies, learning agility and derailment factors, defining performance and potential early identification of key talent, multi-source methods, on-going feedback processes, continuous re-assessment, test learning agility, development of competence and performance. To achieve this, Pandey and Sharma (2014), who studied succession planning practices and challenges, noted that the management of the family business should consider creating a talent pool at initial level, which can be developed over time to meet talent needs. The owners preparing of the businesses' mid management level and low management levels to take on responsibilities of higher levels can be assured when this talent tool is developed.

Creation of talent databases involves integration of data from multiple systems, including human resource information system (HRIS), recruitment, learning, definition of missing talent data elements, collection of missing talent data, education, competencies, experiences, career interests, and reporting to facilitate decision making (Caruso & Groehler, 2007). Federation of European Accountants (2016) similarly introduced a guide that describes best practices for passing family businesses from one generation to the next and noted creation of talent databases should also include the preparation level of the heirs to the business; formal education, training of staff and owners, work experience especially outside of the firm gives a wider perspective, entry level position - how far the heirs have learned the business from the bottom up, time spent working within the firm, motivation and self-perception of preparation.

Identification of future talent requirements comprised competency, skill and experience requirements for critical positions, profiling the development content of key jobs, forming or managing external alliances, detection of current and future talent gaps, targeted career pathing and development as well as sourcing and recruitment plans to secure new external talent (CPS HR Consulting, 2015). Pandey and Sharma (2014) opined that creation of only a talent pool for future will serve no purpose until or unless they are specifically groomed for a particular position, i.e. management should lay emphasis on competency-based solutions. Succession planning therefore should also be competency based, each successor should be identified based on competency and hence development should be done on improvement areas and competencies required to successfully perform a role.

Structured and individualized development planning practice, according to Caruso and Groehler (2007), includes formal structured generation of development plans, targeted individual activities with emphasis on experience-based learning, transitional coaching during stretch assignments, reporting and tracking of progress and outcomes as well as accountability for performance. In support of Caruso and Groehler (2007), Pandey and Sharma (2014) opined that in family business succession planning, no process during planning and implementation is complete without a proper evaluation. Thus, merely implementing a succession plan would not solve the succession needs of the family business. The plan needs to be evaluated again and again. Therefore, there must be development, monitoring and review of the plan (Haroski, 2010).

The practices that will improve succession planning in family business, as reviewed, include assessing the present work and competency requirements, assessing individuals' leadership potential, effort to attract outside talent and internally identifying talent from existing employees. Other best practices of succession planning in family business are schemes for retaining the existing employees, succession plan chart that guides the succession process and top management involvement in discussing/reviewing succession plan. Also, clearly defined set of goals guiding actions, identifying potential leaders through leadership development programs for employees and selecting successor candidates out of a pool of internally groomed potential leaders are practices that can help successful succession planning in family business.

Furthermore, while practices such as high potential identification, Scope of planning and talent pool creation are found as best practices in information technology family businesses in India, Structured and individualized development planning practice that involves structured management are practiced in Poland

(Pandey & Sharma, 2014; Roszko-Grzegorek, 2008). However, from the review, comprehensive assessment of talent or needs driven assessment by management is practiced in Nigeria family businesses, while Federation of European Accountants (2016) introduced a guide that describes best practices for creation of talent databases, which include the preparation level of the heirs to the business.

Factors Influencing Succession Planning in Family Businesses

Gordon and Kibblewhite (2008) enumerated seven factors which affects family business owner in succession planning: Fear of mortality; Reluctance to let go of control and power; Loss of identity; Bias against planning; Inability to choose among children; Fear of retirement and Jealousy and rivalry. According to Gordon and Kibblewhite (2008) and Perryer and Te (2010), fear of mortality is often a particular problem for entrepreneurs, whose success is usually driven by a powerful ego and the conviction that they control their own destinies while reluctance to let go of control and power is when many owners become entrepreneurs precisely because of a strong need to acquire and exercise power over others, so surrendering this authority would be a huge sacrifice.

Musa and Semasinghe (2014) also studied leadership succession problem in small family businesses in Nigeria and realized that most founders of family-owned firms failed to embark on succession planning due to fear of losing control of the business to subordinate or any member of the family. In addition to their findings, they noted that the inheritance problem among family members militates against the continuity of family enterprises. Mehrtak et al. (2014) studied succession planning in the Iranian health system and revealed that one of the barriers to the implementation of succession planning is that many managers fear that succession planning threatens their own position in the long run. In the macro-management system, many try to keep potential candidates at lower levels, which could hinder the growth of succession planning.

Inability to choose among children is a strong factor influencing owners succession planning in family businesses since under business principles, the choice of a successor should be based on competence, but family values, dictating that children should be loved and treated equally, can prevail (Carlock & Ward, 2001). There is also a fear of retirement as owners of family firms are often effectively “in love” with their businesses, and the thought of moving out of day-to-day work into “the vacuum of retirement” can be seen as little short of a life-threatening event. Again, jealousy and rivalry, signifying “Nobody can run this business as well as me”, is a common view when owner and potential successor are father and son. These factors can introduce an extra psychological dimension of fear and hostility (Perryer & Te, 2010)

Spouses’ resistance to change, family taboos and fear of parental mortality factors affects succession (Ogbechie & Anetor, 2015). The owner’s spouse is frequently reluctant to welcome and encourage a partner’s move into retirement. Family taboos in terms of cultural norms discourage discussion between parents and children about the family’s future after the parents die, particularly with regard to financial matters. Meanwhile, successful succession planning involves open discussion of such topics which is usually uncomfortable to family elders and is thus normally avoided, even in the well-adjusted families. Mehrtak, Farzaneh, Habibzadeh, Kamran and Zandian (2017) studied explaining the role of organisational culture on succession-planning and revealed that cultural factors are related to job security, transparency and trust development, creating opportunities, loyalty, trust, talent and merit, peer envy, values and beliefs .

Fear of parental mortality and culture causes children who are deep-rooted with psychological worries raise feelings that can be too painful to permit participation in discussions about succession. Aderonke (2014) researched on culture determinants and family business succession in Jos, Nigeria and found that cultural factors such as extended family system, inheritance tradition; sons, marriage, and education have great impact on the successful succession of family enterprises. Onuoha (2013) studied poor succession planning by entrepreneurs in Nigeria and that found over 94% of entrepreneurs have no succession plans the feelings that the entrepreneurs are still strong and healthy, uninterested children and relations, family business owner not knowing what succession planning is all about and no capable hand yet or fear of mismanagement.

The final major factor, according to Gordon and Kibblewhite (2008), is employee and environment. Job insecurity for many employees (especially senior managers) due to their close personal relationship with the business owner constitutes the most important advantage of working for the family firm. They see successors as a potential threat to their job satisfaction and security. External worries about change outside the company, including important customers, are likely to prove resistant to change and reluctant to trust a new face. Similarly, the unwillingness of other entrepreneurs – the owner's peer group – to deal with their own succession, acts to reinforce the founder's bias against planned management transition (Perryer & Te, 2010).

Meharabani and Mohamed (2011), as cited in Seniwoliba (2015), came up with the following factors as part of their research findings: Training plans help the employees to learn new skills and knowledge and therefore give them new abilities; Management Support is needed to implement a successful succession planning system; Clarifying the career path is another factor where an organisation clarifies the career path that would eventually help employees to better understand the career objectives and also help them towards a better implementation of succession planning; Another factor is creating a positive vision, which will help create a positive insight towards succession planning programmes, thus removing fear in employees who think succession planning is a threat to their positions in the organisation; Technological advancements; Flat structure for better communication and easier knowledge sharing as well as financial conditions of the business.

Lucky et al. (2011) in their paper presented three key factors: founder, successor and environment that jointly affect succession in family business which, they said, in turn, guarantee family business continuity. Thus, a succession planning without any of these factors could destroy the future and continuity of family business. Therefore, these key factors would serve as essential ingredients to the true succession and to family business continuity. Successor and environment can jointly affect succession in family business. Also, fear of mortality, reluctance to let go of control and power, loss of identity, bias against planning, inability to choose among children, fear of retirement, jealousy and rivalry affect succession in family business. Finally, fear of losing control, culture, choosing among children and owner's spouse feeling reluctant to welcome as well as encourage a partner's move into retirement affect succession in family business.

Conceptual Framework

Figure 3 depicts a simplified understanding of true succession and continuity in family business, which the researcher adapted from Lucky, Minai and Isaiah (2011). Lucky, Minai and Isaiah (2011) developed a conceptual framework of family business succession to explore and examine succession in relation to family business continuity. The key variables are the founder, successor/employee and environment as similar as this study. The researcher, however, added the best practices of succession planning to the framework to suit this study, since Lucky et. al (2011) did not include the best practices in their research. There are two arrows, 'A' and 'B' in-between the founder and successor.

Arrow 'A' indicates that the founder is the major influence who initiates the succession process, pressurising the potential successor to succeed him even when the potential successor is not ready or interested, this form of succession is conservative in nature since the founder wants the preferred successor to take over, therefore there is a likelihood or a possibility that the successor would follow the owner or founder's method and approach in managing the family business (Lucky et al., 2011).

The arrow 'B' indicates a mutual agreement and discussion between the founder and the successor on how the founder would relinquish the leadership and management of the business to the potential successor, in the model, "the preferred or preference successor. In this case, both the founder and the successor know that the time is ripe for succession to take place, thus, they would mutually agree on the succession plan and process. Figure 3 shows the conceptual model.

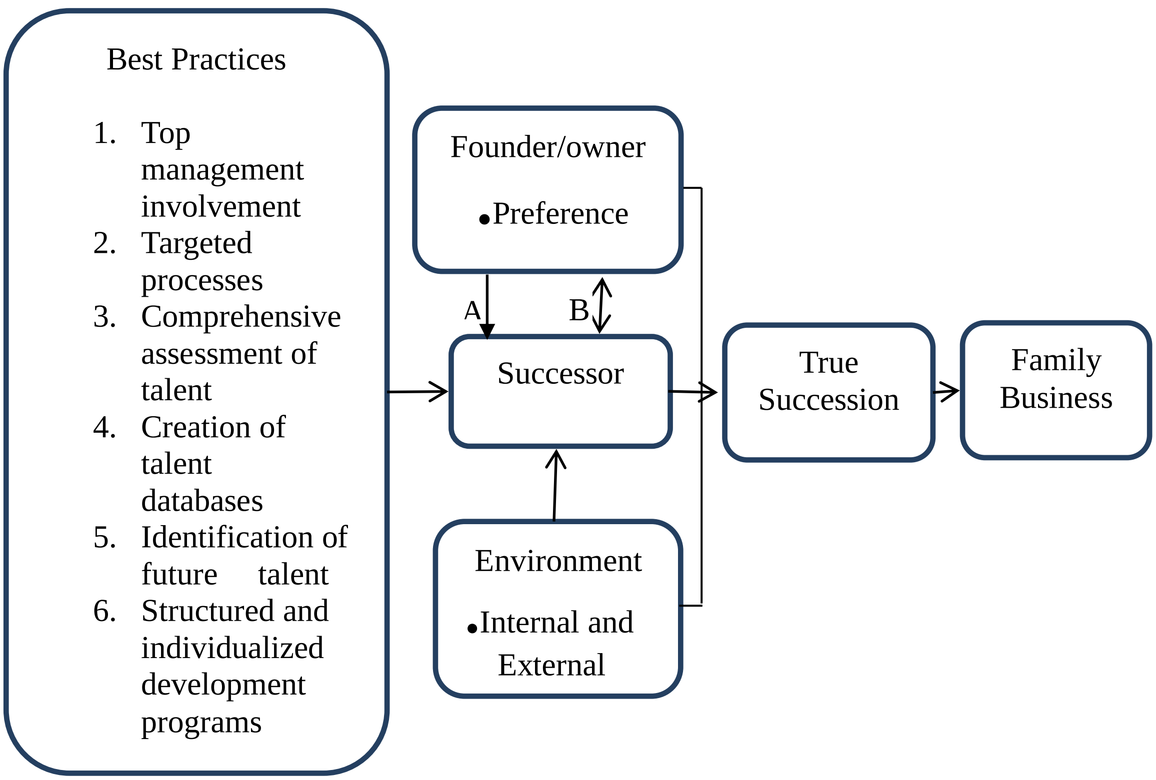

***Figure 3*: The Conceptual Model**

Source: Adapted from Lucky, Minai and Isaiah (2011)

In the case of the environment, both the internal and external environments must be looked into including the employees, relatives and family members who form part of the internal and external environment. In addition, to the key factors, the founder, the successor and the environment, which must be seriously considered, the best practices (i.e. top management involvement in assessment of key positions and provision of resources; Targeted processes etc.) should be considered to achieve true succession in family business.

Chapter Summary

The chapter reviewed theories such as the Scharmer's Theory U-Model and Relay succession planning model for succession planning whiles the Agency, Stewardship, Resource-based and System's theories were for family business**.** Succession planning in family business is important for retention strategy, employee satisfaction, higher quality service, career development and motivating best employees to support management. It also prevents generational change which may leave a business with heirs who are unprepared or not interested in family business.

The best practices for a successful succession planning include assessing the present work and competency requirements, assessing individuals' leadership potential, effort to attract outside talent and internally identifying talent from existing employees. In terms of factors influencing succession planning, fear of mortality, reluctance to let go of control and power, loss of identity, bias against planning, inability to choose among children, fear of retirement, and rivalry affect succession in family business. These points identified during the review guided the researcher to frame his interview guide to test if his findings agrees or disagrees with the previous researchers.

CHAPTER THREE

RESEARCH METHODS

Introduction

The study dealt with succession planning in family businesses: A case of Ketu South Municipality. The research investigated the perception of the respondents with regard to importance of succession planning, factors influencing succession planning and practices in succession planning in family business. In order to achieve this, the section outlined methods employed in the study. The chapter provided clarity on issues such as research design, study area, population, sampling procedure, data collection instruments, data collection procedure, and data processing and analysis which are relevant in any study.

Research Design

According to Lincoln and Guba (1985) a paradigm comprises four elements: epistemology; ontology; methodology and axiology. Epistemology has its etiology in Greek where the word episteme, means knowledge. Epistemology in research, is used to describe how researchers come to know something; how truth or reality is known; or within the world, what counts as knowledge (Cooksey & McDonald, 2011). Ontology on the other hand, concerned with the assumptions made to believe that something makes sense or is real, or the very nature or essence of the social phenomenon we are investigating (Scotland, 2012). Whiles Axiology refers to the ethical issues that need to be considered when planning a research proposal (Finnis, 1980), Methodology is the broad term in an investigation to find out something using well planned approaches, procedures and research design (Keeves, 1997).

Candy (1989), as cited in Kivunja and Kuyini (2017), suggests that all paradigms can be grouped into three main taxonomies; Positivist, Interpretivist, or Critical paradigms. Positivist argues that reality must be examined by utilizing the rigorous process of scientific inquiry. The paradigm uses quantitative methodological approach which emphasizes the need to generalize, objectivity and accurate measurement (Mukherji & Albon, 2015). In contrast, constructivist argues that, no single reality is made through interactions. Also, social, cultural and historical perspectives play an important role in shaping people's sense about the world (Creswell, 2014). Constructivist believes that the methodology used in a research should explore "sense-making activities" as practiced in qualitative research such as the case study approach that uses methods including interviews and observations (Kivunja & Kuyini, 2017).

The research, therefore, employed a qualitative study design to explore and to understand the succession planning and to provide in depth understanding of succession planning in family businesses. Though objectivity and generalization is absent in this design, Roller (2015), opined that qualitative researchers routinely uncover how people think, revealing the interconnectivity that brings meaning to the experiences that lie at the center of their research. This level of meaning gives the researcher an unfiltered view of the human experience which, some could argue, seems "truer" and "more real" – that is, less biased –

than survey data based on forced responses to closed-ended questions. Similarly, Kumar (2011) opined that qualitative method gives detail and complete information, contextualisation, interpretation and description of topic under study.

The researcher employed case study for this study. Case studies are analyses of persons, events, decisions, periods, projects, policies, institutions, or other systems that are studied holistically by one or more methods. Case studies are also used to describe an entity that forms a single unit such as a person, an organisation or an institution (Astalin, 2013). This allows for conceptual refinements with a higher validity level over fewer number of cases or a limited number of variables under study as compared with a quantitative studies (Starman, 2013). The researcher, therefore, not limited to readily quantified variables, pre-existing or well-defined datasets.

Description of Case

The case study for this research is the Ketu South Municipality, which is one of the eighteen administrative districts in the Volta Region and is located at the south-eastern corner of Ghana with Denu as its capital. The Municipality is strategically described as the eastern gateway to Ghana and it is the only district that shares boundary with the capital of another country, Lome in the Republic of Togo (Nyarko et al., 2014). The Municipality lies within latitudes 60 03 north and 60 10 north, and longitude 106 east and 10 11'east. It shares border with the Republic of Togo on the east, the Keta Municipality on the west, the north with Ketu North District and the Gulf of Guinea to the south.

The Municipality has a total land size of approximately 779 square kilometres representing 3.8 percent of the regional land area. The Municipality has three major markets located at Denu, Agbozume and Aflao that attract sellers and buyers from all parts of Ghana and the Republic of Togo. The Municipality had no record on family businesses when a search was conducted by the researcher at the Municipal Assembly. Investigating perception on importance, practices and factors influencing succession planning in family businesses in the Municipality would help improve succession planning in the Ketu South Municipality since appropriate recommendation based on best practices would be given.

Population

A population is commonly related to the number of people living in a particular area or country (Taherdoost, 2016). While target population is the population of interest that the research intends to study or treat (Majid, 2018). The population for this study is all businesses in the Ketu South Municipality of Ghana. The businesses within the municipality includes traditional kente weaving, selling of provisions, selling of auto parts, selling of building materials, cement factory, and salt factory. The target population for the study is all family businesses in the Ketu South Municipality of Ghana. The estimated size of the target population in the Municipality is five hundred (500). However, a search conducted at the municipality revealed no classification of businesses based on family linage. This brought a difficulty about how to locate a family business in the municipality to start with the data collection investigation.

Sampling Procedure

The researcher adopted non-probability sampling method to get the required sample for the study. In qualitative research, according to Kumar (2011), one can only use non-probability designs but not guided by the sample size. The number of people a researcher is going to contact depend upon the attainment of the data saturation point during the data collection process. The sample size chosen for the research was ten (10). The researcher then used snowball sampling as a process of selecting a sample using networks (Greener, 2008). A snowball sampling method is applied when samples with the target characteristics are not easily accessible in qualitative research (Naderifar, Goli, & Ghaljaie, 2017)

Using the snowball sampling method, few individuals in a group or family businesses were selected to collect the required information from them. The researcher then asked them to identify other people in the family businesses who could be contacted to obtain the same information. The respondents selected by the researcher became part of the sample. The process continued till the researcher reached the saturation point in terms of information being collected (Kumar, 2011). This method is chosen since the family businesses at the municipality are not known and sampling begins when a business is determined as a family business. In all the participants are comprised of eight males business owners and two female business owners were sampled.

Data Collection Instruments

The research employed semi-structured interview guide with four (4) sections focusing on perception with regard to importance of succession planning to family businesses, factors influencing succession planning in family businesses and practices in succession planning in family businesses. The first section of the interview guide sought to find out about age, family, education and work of the respondents. The second section enquired about perception of the respondents with regard to importance of succession planning to family businesses. The interview guide included what is the familiarity of the respondent with succession planning, Benefits that succession planning provide for respondents' business and how.

On the third section, which sought information on factors influencing succession planning in family businesses, the interview guide requested from the participants why they think business owners do not like planning for succession and what they think account for it. The third section also enquired about **w**hat effects do their family members (children, wife, extended) have on their succession planning among others. The final section, practices in succession planning in family business, elicited information about succession planning in their business; of succession policy; incentives schemes for their employees and the mode of assessing employees.

The interview guide provided flexibility to the researcher since the researcher had the opportunity to ask follow-up questions which were not part of the guide. This helped the researcher to do an in-depth data collection. Again, the interview had a better response rate and the participants who could not read and write also answered the questions. This was made possible as the researcher and his representative explain the questions to the respondents. In addition, translation of the questions into local language for the respondents who could not read or write, gave a positive result. The interview guide also help the researcher to judge the non-verbal behaviors of the respondent. The major challenge with the instrument was that, the researcher was not able to conduct a pilot-test of the instrument due to time. This made administration of the instrument difficult with regard to translating some of the words into local language.

Data Collection Procedure

The interview was conducted on one-on-one basis. The data were retrieved from the respondents on the same day by the researcher or his representatives. Each of the interviews lasted between thirty (30) and ninety (90) minutes. Consents from the respondents were sought for audio recordings and writing notes of the interview. The recordings were immediately transcribed and typed by the researcher. However, in instances where interviews could not be completed, the interviews were rescheduled for another time. In all, some of the respondents were met twice. A total of two weeks spanning from (4th June, 2019 to 18th June, 2019) was used for the interview sessions. The major challenge encountered by the researcher was the inability of some of the respondents to talk about their family secrets and time to spare for face to face interview. However, they finally understood that the exercise was for academics purpose only.

Data Processing and Analysis

Qualitative data analysis for applied policy research by Bryman and Burgess (1994) introduced a framework method for analyzing qualitative data. The framework method has five key stages to qualitative data analysis: familiarization; identifying a thematic framework; indexing; charting; and mapping and interpretation (this being the stage at which the key objectives of qualitative analysis are addressed).

The first stage, “familiarisation”, is the introduction level which involves brief communication content designed for each interview. In the second stage, which is the thematic framework identification, the initial coding framework is formed according to the main areas identified in the review of literature and the new issues that had emerged from the introduction stage. The third stage, “indexing”, deals with the different parts of the interviews, which would be indexed by one or more codes based on their thematic relationships. These codes would be frequently reviewed and modified by the researcher to conform to changes that might occur during the process.

The fourth stage, which is the tabulation stage, the interviewees’ views about each subject would be compared using the analytical tables. The relationship between the main themes and the subthemes would be identified and analyzed. In the final stage of mapping and interpretation, all the subjects would be interpreted. This framework has been used by previous researchers, which they described as effective method of qualitative data analysis (Mehrtak et al., 2017; Rashidian, Eccles, & Russell, 2008).

This framework method is similar to content analysis, developed by Schilling (2006) using spiral model. The different content analytic procedures by Schilling (2006) includes (1) Converting recorded tapes via transcripts to raw data for content analysis, (2) converting the raw data into condensed protocols/records, (3) converting condensed protocols into a preliminary category system, (4) using the preliminary category system to generate coded protocols, and (5) analyzing coded protocols to generate interpretations about the phenomenon of interest. Bhattacherjee (2012) supported Schilling's (2006) model of content analysis and concluded that the spiral model addressed frequent criticism on Miles and Huberman's (1994) content analysis that it lacks a set of systematic procedures. The researcher, therefore, adopted the spiral model of content analysis for Data Processing and Analysis of this study.

Chapter Summary

The researcher employed case study of family businesses in the Ketu South Municipality of Ghana for this study. A qualitative study design was used in which the researcher used snowball sampling as a process of selecting a sample of ten (10). A semi-structured interview guide was created and conducted on one-on-one basis for two weeks. The researcher then adopted the spiral model of content analysis for Data Processing and Analysis of this study. The researcher in conducting the interview found it difficult locating the family business owners since there was no data readily available on them at the Municipal Assembly. This made the data collection time consuming.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This Chapter aims at determining the perception of respondents with regard to the importance of succession planning to family businesses, evaluating factors influencing succession planning in family businesses and investigating succession planning practices in family businesses in the Ketu South Municipality of Ghana. The analysis is based on understanding deduced from both theoretical and empirical literature reviewed and information gathered from the interviews. The Chapter is organized based on the results, perception of respondents with regard to the importance of succession planning, practices in succession planning and factors influencing succession planning in family businesses in the Ketu South Municipality. In all, ten respondents (eight males and two females) were interviewed using snowball sampling method after which spiral model of content analysis for was used for data processing and analysis.

Results

Responses from the interviewees were transcribed for analysis to gain a better understanding of the issues. Majority of the respondents who participated in the oral interview were illiterates therefore, responses from these people were in the local dialect, which were translated into English language and transcribed by the researcher taking awareness of the relevant points. In terms of those who could respond in English language, transcription was done verbatim in written form by the researcher.

Also, the data were subjected to a critical contextual analysis and scrutiny. Each themed group of interview guide questions was compared and contrasted with the responses. A cross-reference of responses to different questions was made in order to get a full picture of the data. After transcription, the data were then coded along themes by grouping similar responses for inference to be made. The final results were then presented in the form of tables and described using texts and direct quotes.

Perception of Respondents with Regard to Importance of Succession Planning to Family Businesses in the Ketu South Municipality of Ghana

This section presents issues regarding the perception of respondents on the importance of succession planning with particular reference to family businesses in Denu, Agbozume and Aflao in the Ketu South Municipality of Ghana. All the interviewees indicated that they were familiar with succession planning and stated the benefits succession planning provides for their businesses.

All the respondents indicated that the major benefit of succession planning in family businesses is maintaining cultural practices. The respondents explained that the cultural practices that are maintained are “family values”, “family beliefs” and “family norms”. The interviewees noted that this is done by training family members that can take over from parents and through family meetings. In addition, majority of the respondents (eight) disclosed that succession planning reduces leadership transition crisis in family businesses. The respondents explained this using phrases; “no challenge in handing over”, “smooth change over”, “problem free takeover”, no hustle for change” “no leadership vacuum” and “good transition”. In all, succession planning benefits businesses, employees and owners/their families.

Another benefit mentioned by seven respondents is transferring institutional knowledge. According to the interviewees, this is done through “on the job training”, “teaching what makes the business unique” and “what the business stands for”. An interviewee noted: “If you die and take your skills and knowledge away, the business will die”. However, only three of the interviewees mentioned lasting organisational improvement as a benefit of succession planning in family businesses. The respondents mentioned “creating good relationship”, “training and development”, and “identifying and removing internal challenges” to explain what succession planning does in improving their businesses. According to the interviewees, this helps in cordial relationship among the employees resulting in maintaining talented employees.

These results supported the assertion of Haroski (2010), Dauda (2013), Saan et al. (2013), Akinyele et al. (2015) and Mehrtak et al. (2017), that succession planning processes are significant for transferring institutional knowledge and preserving institutional memory, including family businesses heading for leadership transition crisis unless effective succession planning is implemented. In all, succession planning benefits businesses, employees and owners/their families.

The results might be as a result of majority of business owners being males, who believed in tradition of paternal inheritance. Also, using an agency theory of a family business, owners and managers are members of the same family; therefore, there are no agency problems in family firms (Barrett, 2014). Again, the systems theory of family business derives benefits directly from the overlap of family, ownership and business/management memberships (Tagiuri & Davis, 1996)

However, result of few respondents for lasting organisational improvement somehow disagreed with the study by Dauda (2013), who found that succession planning in family businesses creates lasting organisational improvement. This finding might be either as a result of inability of the businesses practicing comprehensive assessment programs based upon competencies or lack of creating talent databases for succession planning, as realized in objective three of this study. The result obtained can also be attributed to lack of planning for identification of future talent requirements for the businesses.

These findings indicate that family businesses may fail to survive into next generations if there is no proper succession planning in the Ketu South Municipality of Ghana. The findings would lessen the turmoil of leadership change in family business and transferring appropriate skills and knowledge into the successors. The positive result in maintaining cultural practices by preserving institutional/family values and beliefs would help increase the bond “familiness” among the members of the family, leading to competitive advantages over non-family businesses. This capability that is not easily imitated (Fang et al., 2012).

Family business owners also presumed that employee's perception on benefits of succession planning on family businesses lead to several benefits. Most respondents (nine) indicated that the major benefit of succession planning in family businesses is that it helps employees to aim at high progression in ranks. This was explained by respondents using words like “upgrade”, “promotion”, “higher-position” and “higher-level”. The respondents mentioned that the managerial role in the business is considered as important by most employees, which they work toward. This, therefore, influences the employees' behaviour positively as they aspire for positions. This is followed by eight respondents mentioning that best employees support talented family executives. The interviewees exhibited this by using phrases like “obey instructions”, “remind executives on what is to be done”, “remind executives of what has been forgotten”, “report lazy colleagues” and “provide suggestions.

Again, eight respondents disclosed that their employees develop professionally when proper succession planning is in place. They explained this by saying “positions are competitive”, “there are other positions to occupy”, “everyone has equal opportunity”, “sky is the limit”, and “need to execute your job professionally”. In the same vein, eight respondents opined that employees have high morale while working in the family business that plan for succession. The interviewees, in supporting their claims, used words like “punctuality”, “disciplined”, “up to the task”, “no malingering”, “active staff” and “supportive” to describe perception they perceived about their employees. One respondent also mentioned that succession planning helps employees know "positions they can aspire for" and "develop themselves professionally to occupy". These according to the respondent, help promote loyalty.

These findings support Bhalla and Kachaner (2015) assertion that succession planning helps the best employees to support in managing the company's most talented non-family executives, especially challenges during the succession process by ensuring that these executives have opportunities to develop professionally and take on new responsibilities with morale remaining high. The result, high progression in ranks, as a result of succession planning, would encourage employees who are hard working to contribute more effort for the betterment of the business. That is, if the employees know that there are positions that are not reserved for family executives only. They would, therefore, support talented family executives with high morale without envy in family businesses in the Ketu South Municipality of Ghana.

Planning for succession in family businesses in the Ketu South Municipality of Ghana, all the respondents indicated that they plan for succession because of certain factors. This was demonstrated by the respondents using phrases; “no envy for family members by other employees” and “business continuity”. In addition, six respondents mentioned that “customers have confidence in their business” and “prevent loss of customers to competitors” are what motivate them to plan for succession planning in their businesses. This, they say, promote customer retention, loyalty and trust.

This result agrees with previous researchers, Kaihongani et al (2016) and Bhalla and Kachaner (2015), who assert that succession planning motivates employees and fosters their support in executives in the succession process. The executives serve as mentors for the successors or lead special projects relating to the succession with no envy resulting in investing their time, thoughts, and planning in order to ensure the quality and continuity of their leadership talent.

In brief, based on this research, benefits of succession planning in family businesses are to maintain cultural practices by preserving institutional/family values and beliefs, reducing leadership transition crisis and transferring institutional knowledge. In addition, succession plans helps employees to aim at high progression in ranks, best employees supporting talented family executives, employees developing professionally and employees having high morale. Again, it motivates employees not to envy family members, helps in business continuity and customers have confidence in the family business. However, succession planning does not provide lasting organisational improvement.

Practices in Succession Planning in Family Business in the Ketu South Municipality of Ghana

Concerning practices in succession planning in family business, six respondents have been practicing succession planning by training their children to take over from them when they retire. However, five out of the six respondents who are practicing the succession planning indicated that they cannot really tell the age at which they would retire. One of the interviewees noted; "I do not intend retiring if I am still strong enough to carry out my duties as the Chief Executive Officer. But if I am sick and bed ridden my son is prepared to takeover". Another interviewee also remarked; "so long as I am strong and healthy I have to work", and also "lazy ones retire early".

Investigating how important it is for the businesses to improve or establish a succession policy, all the interviewees are of the view that it is important for them to establish succession policy. The four respondents who are not practicing succession planning in their family businesses indicated that they need to establish a succession policy to allow for continuity, while the six respondents who are already practicing the succession planning disclosed that they need to improve upon it. Seven interviewees indicated that they need to include a policy which would involve the non-family members to eliminate envy and provide support for members of the family. However, three of the respondents maintained that there is no need to make a non-family member to succeed them to loss family values. All the respondents disclosed that they considered succession policy as urgent.

These result supports Caruso and Groehler (2007), who noted that there is an urgency for implementation of emerging best practices in succession planning. This result is good, as urgent implementation of succession policy would help family businesses in the Ketu South Municipality of Ghana obtain benefits, such as business continuity and others, from succession planning.

Again, all the respondents mentioned that they have incentive schemes for their employees, but it is not about succession planning. This means that family businesses in the Ketu South Municipality of Ghana have no incentive schemes for employees towards succession planning Furthermore, studying promotion of succession planning in family business is illustrated in Table 1.

Table 1 *Promoting Best Practices of Succession Planning in Family Business*

Best practices to promote succession planning	No. of Respondents
Top management involvement	7
Targeted processes to focus on clearly defined Specific goals	7
Comprehensive assessment programs	4
Creation of talent databases	2
Identification of future talent requirements	2
Structured and individualized development programs	5

Source: Field survey, Dusor (2019)

In determining how the interviewees promote succession planning in their family businesses leading to best practices, Table 1 shows that seven respondents mentioned that their top managements involve themselves in succession planning. The respondents explained this by saying; "they provide necessary resources for planning", "planning for succession is a project on its own and therefore allocated resources such as human capital and funds", "the plan is communicated to members of the organisation" and "the plan meets the objectives of the owner and stakeholders". The respondents were of the view that these can be achieved only if there is involvement of the top management in the planning process.

Also, focusing on clearly defined specific goals was mentioned by seven respondents as another best practice of promoting succession planning in their family businesses. The interviewees explained that they did this by “setting achievable objectives”, “ensuring good handing over”, “reduce workload on some individuals”, and “make room for career development”. The respondents believed that these would enhance the quality of the succession plan and develop successor’s leadership talent. Meanwhile, five interviewees disclosed that they have a structured and individualized development programs for practicing succession planning. The respondents mentioned “coaching in performing assignments”, “monitoring progress of performance” and “accountability for performance” as developmental programmes put in place for practicing succession planning.

These results, top managements involvement in succession planning and focusing on clearly defined specific goals, support previous researchers, Caruso and Groehler (2007), Clifford (2008), Haroski (2010) and Seniwoliba (2015), who noted that best practices involve communicating the importance of planning for the future, allocating adequate resources meet the needs and clearly defined goals of the business owner, and stakeholders. Resource-based view theorists’ recognition explained interactions among family unit, business entity, and individual family members leading to competitive advantages or “familiness” (Fang et al., 2012).

However, only four respondents indicated that they have a comprehensive assessment programs based upon competencies for assessing their prospective successors. The interviewees mentioned that they do this by “continuous re-assessment”, “checking performance”, “whether target is achieved” and “checking employees’ behaviour toward clients”. These, respondents perceived, lead to alertness and better performance of employees. Again, only two respondents each create talent databases for succession planning and identification of future talent requirements respectively. The interviewees explained that “This is our inheritance and creating talent databases will only add to business cost”, “The person who will take over is known by all”, “informally, among my children, they know who would succeed me and no need for creating databases” and “even though talent identification is important, any talent identified cannot succeed me”.

These results disagree with previous researchers (Caruso & Groehler, 2007; Pandey & Sharma, 2014; CPS HR Consulting, 2015; Federation of European Accountants, 2016; Oduwusi, 2018), who advocate that best practices in planning for a succession in family business should involve assessment programs based upon competencies, creating talent databases and identifying future talent requirements. This implies that comprehensive assessment programs, talent databases and identification of future talent requirements, which are parts of the best practices for succession planning, were not followed by majority of business owners. Meanwhile, the respondents enumerated a lot of importance of succession planning in the findings of objective one but, interestingly, they are not implementing the aforementioned best practices. This would affect how succession planning would be implemented in the Municipality by not gaining maximum benefit that is supposed to be derived.

In terms of mode of assessment employees, most of the business owners assess their employees by revenue generated and through suggestion or complaints boxes. Nine respondents said they use revenue target, suggestion and complaints boxes. One respondent mentioned only revenue target as mode of assessing employees. Interviewees disclosed that they do this by assessing employees through “sales that they make per week” and “what customers say about them”. These, they said, is done by “analyzing weekly revenue”, and “conducting survey by using complaints and suggestion boxes displayed at the office”. An interviewee remarked; “each of my employees has name tags, which a customer can use to either complain or to suggest on how to improve on our activities”

In determining how respondents prepare their successors in their businesses, all the respondents noted that they groom their employees for positions based on their relation and competences. The respondents explained this by using phrases; “this business stresses on competency of our relations who are also employees”, “we target their skills, train them in development programmes” and “we try to improve them in their skill set”. These, respondents believed, would help employees take up challenges in future”.

Again, to determine what keeps the business owners on track in succession planning and what happens if they get off-track, respondents describe what keeps them on track using “effective succession plan and following it through to implementation”, “including in the process an evaluation plan” and “evaluation of the process informed them whether the plan has yielded effective result or not”.

The interviewees perceived that when they get off truck, affect the business negatively, employees do not perform well, leading to low performance, including poor customer service, as a result of low morale. The researcher views this finding interesting because, even though they do these, they do not use them to keep track of future talents.

The results on mode of assessing employees, how respondents prepare their successors in their businesses, and what keeps the business owners on track in succession planning and what happens if they get off-track support Caruso and Groehler (2007), that one of the best practices in succession planning is to assess your employees. However, this method provided was not about competencies, as suggested by Oduwusi (2018)**,** who described comprehensive assessment of talent or needs driven assessment as behaviorally defined competencies, learning agility and derailment factors, defining performance and potential early identification of key talent, multi-source methods, on-going feedback processes, continuous re-assessment, test learning agility, development of competence and performance.

General comments from the interviewees on succession planning revealed that the process should start right from idea generation stage of the business else the business owner may forget to include it in the policy until disaster strikes the business. Also, family business owners should prepare their family members to know that sometimes there is a need to employ talents and skills from outside in order to strengthen the business fortunes. The family members should also be informed that a successor as manager of the company does not take an ownership of the business from the family. Branch managers of every department should prepare subordinates to take over from him/her if he/she is incapable of attending to his/her duties, sudden departure/resignation or death. *"Succession planning should not be seen as just taking over ownership of business, but it applies to every department of family business"*, said by an interviewee.

The research, in summary revealed that it is important for businesses to establish succession policy. To promote the policy, there should be top management's involvement and focusing on clearly defined specific goals. Also, the businesses should have structured and individualized development programs. However, the research shows that the businesses do not have a comprehensive assessment programs based upon competencies; the mode of assessing employees being used by business owners are revenue generated and through suggestion or complaints boxes. Again, the family businesses do not create talent databases for succession planning and identification of future talent requirements.

Factors Influencing Succession Planning in Family Businesses in the Ketu South Municipality of Ghana

This section dealt with why business owners do not like planning for succession, effects of family members on succession plans and Barriers in planning for succession in family businesses, as summarized in the Table 2.

Table 2 *Factors Influencing Succession Planning in Family Businesses*

Why business owners do not like planning for succession	No. of Respondents
Reluctance to let go of control and power	9
Loss of identity	7
Bias against planning	8
Fear of retirement, Jealousy and rivalry	9
Fear of mortality	4
Effects of family members (i.e. children, wife, extended) on succession planning	
Spouses' resistance to change;	9
Inability to choose among children	8
Family taboos	10
Fear of parental mortality	4
Barriers encountered by business owners in planning for succession	
Cultural factors	10
Transparency	10

Source: Field survey, Dusor (2019)

From the interview conducted, as shown in Table 2, majority of respondents disclosed that reluctance to let go of control and power, and fear of retirement, jealousy and rivalry respectively are factors that contribute to why business owners do not like planning for succession. The respondents used phrases such as; "losing contact with people who depend on me", "loss of respect from people", "I cannot wake up a day without working", "I can be asked to step aside if someone can do what I do" and "people would compete with me" and "No! I cannot lose that power and the respect I receive as the CEO of this business" to explain why they found it difficult to plan for succession.

Also, bias against planning is noted by eight interviewees as another factor that negatively affects family business owners who plan for succession. The respondents looked at succession planning as additional exercise to undertake. They explained this by employing phrases like "additional responsibility", "needs professional engagement", "no time" and "who would implement the plan". Again, seven of the respondents mentioned loss of identity as a factor contributing to why business owners do not like planning for succession. In explaining this, the respondents used phrases; "my name is mentioned with this business", "people know me because of this business", "how would I be introduced without this position" and "I worked for this title".

The reluctance to let go of control and power, fear of retirement, jealousy and rivalry, and loss of identity as alluded to by the responses means that designations attained by respondents make it difficult to give up position to their successors. These results support previous researchers, Gordon and Kibblewhite (2008), who enumerated seven factors that affect the family business owner in succession planning; Fear of mortality; Reluctance to let go of control and power; Loss of identity; Bias against planning; Inability to choose among children; Fear of retirement and Jealousy and rivalry.

However, only four respondents declared fear of mortality as a factor contributing to why business owners do not like planning for succession. This, they explained by remarks; “planning for succession means your death is near”, “I will not die now”, “I can be eliminated by my successor if I am not leaving the scene early”. The respondents perceived these factors negatively affect planning for succession in family businesses. This result disagrees, to an extent, with Perryer and Te's (2010) assertion that fear of mortality is often a particular problem for entrepreneurs in succession planning. This means that fear of mortality can rather help the business owners to plan for their succession, as indicated by respondents that it would rather motivate them to plan.

These factors, reluctance to let go of control and power, fear of retirement, Jealousy and rivalry, bias against planning and loss of identity, mentioned to contribute to why business owners do not like planning for succession should be looked at critically. This is because the implication of these factors would prevent business owners in the Ketu South Municipality of Ghana from planning for succession, which will affect the continuity of their businesses if the unexpected happens. The family business owners should be made to know that planning for succession does not mean losing the business, but rather having a helping hand in manning the business. Also, even though it was only four of respondents that did not support fear of mortality as a factor contributing to lack of planning for succession, this factor should be considered, since the percentage shows that there were family businesses that did not plan for succession due to fear of mortality.

Family taboo was strongly considered as one of the major family factors which have effect on succession planning in family businesses by all the respondents. The respondents explained this with phrases; "it is a taboo to bring someone from outside to succeed me", "exposing our family business history to outsiders", "our family values are great resource for our business and we cannot expose it", and "it is a taboo to expose what give us advantage over our competitors". The respondents believed these factors gave them competitive advantage over their competitors.

Again, "spouses' resistance to change" was mentioned by nine respondents as a factor that influence planning for succession in family businesses. The respondents describe this using phrases; "my wife did not agree on choosing a close relative to take over from me if I want to retire", "she cannot let go of our fame and accolade", "she enjoys the title", "she wants to have control if I retire", and "she wanted to protect the business for our children". Another respondent remarked; "In fact, as I talk to you, she did not know anything about the business and I fear for the future of the business and that of my children". The respondents believed that these attitudes of spouses would negatively affect the survival and growth of family businesses.

Inability to choose among children was perceived by 80% of the respondents as a factor that affect succession planning in family businesses. The interviewees explained this by saying "my children are too young to succeed me", "the children are not willing to be part of the business", "the eldest child does not know anything about the business", and "my children are all in school". The respondents were of the view that this would negatively affect the continuity. However, four respondents mentioned fear of parental mortality as a factor that affect succession planning in family businesses. An interviewee said: “I don’t think if I am afraid for death, I should not plan for how my business would survive when I die. This should rather motivate me to plan for someone that can succeed me. This is my opinion”

These results support the previous researchers, Carlock and Ward (2001), Gordon and Kibblewhite (2008), Perryer and Te (2010), and Ogbechie and Anetor (2015), who opined that spouses’ resistance to change, inability to choose among children and family taboos in terms of cultural norms discourage discussion between parents and children about the family’s future after the parents death, particularly with regard to financial matters. However, fear of parental mortality was not supported by this research as a family factor that affects succession planning, as averred by Ogbechie and Anetor (2015), with only four respondents in support.

A second look should be taken at family factors such as family taboos, spouses’ resistance to change, and difficulty to choose among children. This is because it is these same family cultural practices that bring “familiness”, but if not used well can collapse the family businesses in the Ketu South Municipality of Ghana. Why should it be a taboo for a female family member who is competent enough to succeed her father to be denied of this? This would prevent the competent female from contributing her quota, leading to failure of the business.

This practice should be revised as times are changing for anybody to succeed, irrespective of gender, to become successors.

Cultural factor was mentioned by all the interviewees that it is one of the major barriers encountered by business owners in planning for succession. The interviewees' recounts; "there are challenges in choosing first born who are female as successors because of our tradition. This is because, generally, females do not succeed fathers", "no groomed talented worker can be a successor because family tradition demands that the business should definitely be handed over to family members" and "no outsider is fit to take over". The respondents perceived that though this is a challenge it also preserves their tradition by holding on to familiness. Also, some of the respondents resolved that this notwithstanding their daughters would succeed them. One respondent remarked, "I spoke to the rest of my children to be one irrespective of their gender" for the sake of the business.

Furthermore, all the interviewees mentioned that another barrier encountered by business owners in planning for succession is "transparency". Most of the respondents said that succession planning requires that you have to be transparent in everything you do to your successor, which is sometimes difficult. An interviewee said, "Why should people who did not start business with me know everything I do with my business, including how I run it". The results on cultural factors and transparency agree with Mehrtak et al. (2017), that cultural factors are related to job security, constructive competition, transparency and trust development, creating opportunities, loyalty, trust, talent and merit, peer envy, values and beliefs. This result may be as a result of the sample being dominated by males through snowball sampling.

In summary, factors influencing succession planning in family businesses are reluctance to let go of control and power; fear of retirement, Jealousy and rivalry; bias against planning, and loss of identity, which contribute to why business owners do not like planning for succession. Also, Family factors indicated are family taboos, spouses' resistance to change, and business owners' inability/difficulty to choose among children. Finally, cultural factors and transparency are major barriers encountered by business owners in planning for succession. However, the research did not support fear of mortality and fear of parental mortality as a factor contributing to why business owners do not like planning for succession.

Chapter Summary

In conclusion, maintaining cultural practices, reducing leadership transition crisis, transferring institutional knowledge are benefits of succession planning in family businesses. Also, succession plans help employees to aim at high progression in ranks, supporting talented family executives, develop professionally with high morale. However, succession planning does not provide lasting organisational improvement.

Reluctance to let go of control and power; fear of retirement, Jealousy and rivalry; and loss of identity contribute to why business owners do not like planning for succession. Again, family taboos, spouses' resistance to change, business owners' inability/difficulty to choose among children and transparency affect succession planning. However, the research did not support fear of mortality and fear of parental mortality as a factor contributing to why business owners do not like planning for succession.

Finally, the research revealed that it is important for businesses to establish succession policy. Top managements' involvement, focusing on clearly defined specific goals, structured and individualized development programs are practiced by the family business owners. However, the research shows that the businesses do not have a comprehensive assessment programs based upon competencies. Again, the family businesses do not create talent databases for succession planning and identification of future talent requirements.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Introduction

The purpose of this research is to investigate the perception of respondents with regard to the importance of succession planning to family businesses and factors influencing succession planning in family businesses. The research also explores succession planning practices in family businesses in the Ketu South Municipality of Ghana. The objectives of the research were to determine the perception of respondents with regard to the importance of succession planning to family businesses, evaluate the factors influencing succession planning in family businesses and to investigate succession planning practices in family businesses in the Ketu South Municipality of Ghana. The research employed qualitative method for the study. The chapter contains the summary of findings, conclusions, recommendations and suggestion for future research.

Summary of Findings

The results from this study in the Ketu South Municipality of Ghana show that; Maintenance of cultural practices, reduction of leadership transition crisis, transfer of institutional knowledge and business continuity are the perceived importance of succession planning to family businesses studied within the Ketu South Municipality. Also, employees aimed at high ranks, support talented family executives, develop professionally and have high morale without envying family members. However, succession planning, to an extent, does not provide lasting organisational improvement.

Reluctance to let go of control and power, fear of retirement, bias against planning, loss of identity, family taboos, spouses' resistance to change, transparency and business owners' inability/difficulty to choose among children contribute to why business owners do not like planning for succession. However, fear of mortality and fear of parental mortality do not contribute to why business owners do not like planning for succession in the Ketu South Municipality of Ghana.

Business owners studied within the Ketu South Municipality undertake practices such as top managements' involvement, focusing on clearly defined specific goals, and having structured and individualized development programs. However, the respondents do not practice comprehensive assessment programs based upon competencies, no talent databases and no identification of future talent requirements.

Conclusion

Based on the results, the conclusions made from this study are as follows;

Though the respondents perceived that succession planning positively helps in maintaining cultural practices, reduce transition crisis, transfer institutional knowledge, business continuity, and give support to family executives without envy, these do not reflect in their activities.

In addition, owners of family businesses studied within the Ketu South Municipality face challenges in succession planning because of certain factors. These factors are reluctance to let go of control and power, fear of retirement, bias against planning, loss of identity, family taboos, spouses' resistance to change, transparency and business owners' inability/difficulty to choose among children.

Furthermore, within the Ketu South Municipality, family businesses owners are doing well when it comes to top managements' involvement in planning process, focusing on clearly defined specific goals, and having structured and individualized development programs in line with best practices. However, assessment programmes of the businesses do not based upon competencies and therefore could not be used for identification of future talent requirements and creating of talent databases.

Recommendations

It is recommended that the family business owners in the Ketu South Municipality of Ghana should practice succession planning in their businesses, since all perceptions point to the fact that it would help maintain cultural practices, reduce transition crisis, transfer institutional knowledge, business continuity and employees developing themselves professionally with high morale without envy.

The family businesses should also eliminate reluctance to let go of control and power, fear of retirement, bias against planning, loss of identity, family taboos, transparency and spouses' resistance to change through role models and people that can encourage the respondents to overcome these fears.

Also, the family businesses should continue practicing top managements' involvement in the succession planning process, focusing on clearly defined specific goals, and having structured and individualized development programs in line with international best practice, while drawing comprehensive assessment programmes based upon competencies for identification of future talent requirements and talent databases creation for the businesses.

Suggestions for Future Research

Every research has got its own limitations. Due to time and resources at the disposal of the investigator, all the aspects of the problem cannot be expected to be dealt with. This research employed a total sample consisting of only family business owner respondents without the employees. As a result, findings of the study do not provide full divergent view dimension on the topic.

The following recommendations for further research have been developed as a result of this study: Similar research with both family business owner respondents and the employees should be conducted to see the full divergent view dimension on the topic. Again, more Municipalities of Ghana should be involved in the research so that finding of the study can be generalized on large population in terms of other Municipalities in Ghana. There should also be an expansion on this research to include effect of gender on succession planning in family businesses in this and other Municipalities.

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APPENDIX A

INTERVIEW GUIDE

Introduction

I want to thank you for taking the time to meet with me today.

My name is Wisdom Dusor a student of the Department of Center for Entrepreneurship and Small Enterprise Development, University of Cape Coast. This project is in partial fulfillment of the requirements for the award of Master of Business Administration degree in Entrepreneurship and Small Enterprise Development. Specifically, I would like to talk to you about succession planning in family business.

The interview should take less than one hour thirty minutes. I will be taping the session because I do not want to miss any of your comments. Although I will be taking some notes during the session, I cannot possibly write fast enough to get it all down. Please because we are on tape, let us speak up so that we do not miss our comments. All responses will be kept confidential. This means that any information I include in my report will not identify you as the respondent. Remember, you do not have to talk about anything you do not want to and you may end the interview at any time.

Are there any questions about what I have just explained?

Section A: personal demographics and business characteristics

Please tell me something about yourself (your work, age, family, education)

What is the business about?

When is the business established?

Section B: Please this section concerns your perception with regard to Importance of Succession Planning to Family Businesses

What is your familiarity with succession planning?

What benefits does succession planning provide for your business?

How?

Any examples?

What do your employees think about benefits of succession planning?

What about your non-family members?

What about family members?

What are some of your motivations for wanting to plan for succession?

Section C: Please this section concerns the factors influencing succession planning in family businesses.

Why do you think business owners do not like planning for succession?

What do you think account for this?

What effects do your family members (children, wife, extended) have on your succession planning?

How?

Why?

What about managers of the business?

What were some of the barrier(s) that you encountered in planning for succession?

How did you overcome them?

Section D: Please this section concerns the practices in succession planning in family business.

What do you do about succession planning in your business?

How?

When?

How important do you think it is for your company to improve or establish a succession policy?

Why?

How do you promote succession planning in your business?

What mode of assessment do you undertake on your employees?

How?

How do you prepare your successors?

What keeps you on track in succession planning?

What happens if you get off-track?

What else would you like to share with me about succession planning in general?