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Effect of Succession Planning on Sustainability of Family Businesses in Anambra and Lagos States of Southern Nigeria

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Abstract: *This work seeks to establish the effect of succession planning on sustainability of family businesses in Anambra and Lagos States of Southern Nigeria. The broad objectives of the study were to examine the effect of succession planning on sustainability of family business in Anambra and Lagos States. Survey Research Design was adopted for the study and Taro Yamane's formula (1964) was used in determining the sample size. A total of 354 respondents drawn from SMEs in Anambra and Lagos States participated in the study. To ensure the soundness of the research instrument, the Content Validity was used to test for the validity of instrument, while the Split-Halves Method was used in testing for the reliability of the instrument. Four-hundred (400) questionnaires were distributed, while three hundred and fifty-four were correctly filled, returned and used for the analysis. Ordinary Least Square multiple regression was used for the analysis. In testing the research hypotheses formulated in line with the specific objectives, the F-test statistical tool was applied. The findings indicate the following: First, that there is a significant adverse linear relationship between delayed-retirement of family business owner-managers and the business perpetuity. Second, that significant linear relationship exists between mentoring and successful management transference in family businesses. Third, that there is a significant linear relationship between the appointment of non-family member Chief Executive Officers as successors in family businesses in the absence of competent family member CEOs and the business continuous viability. The researcher recommended that owner-managers of family businesses in Southern Nigeria should embrace the retirement age in the nation's civil service and the multinational companies and discards their work-for-life attitude so as to prevent age-related challenges from hampering the fortunes and perpetuity of the businesses. This is true because delaying retirement due to an unproductive age of the owner could kill the business before transference. Mentoring of potential successors should be encouraged by family business owners in Southern Nigeria in order to ensure successful management transference in the event of retirement or death of their owners. This is important because family businesses are heavily dependent on their owners, not only for their leadership and drive but also for their connections and technical know-how.*

INTRODUCTION

1.1 Background of the Study

Family businesses are found in virtually every sector of the world's economy, and they are the most common form of business entities and the oldest in the world (Wayne, the president of Family Business Institute, Inc., 2012). Family-owned businesses around the world play a significant role in emerging and developed economies in terms of GDP growth and employment generation. National Bureau of Statistics as well as Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) collaborative survey (2015) notes that Micro, Medium and Small Enterprises (MMSEs), which is the bedrock of family businesses, represents over 90 percent of

the businesses in Nigeria, employing over 84 percent of the country's labour force Abereijo, & Fayomi, (2005)..

However, as time progressed, there were some brave Anambrarians and Lagosians who ventured into businesses with interest in the distribution and sales of imported merchandise in the States. In this category were Sir Louis Odumegwu Ojukwu, Ferdinand Anara and William Akinola Dawodu. They were the pioneer African importers of motor vehicles into Nigeria. Sir Louis Odumegwu Ojukwu, KBE, (1908–1966) was a Nigerian business tycoon from the Ojukwu family of Nwakanwa quarters Obiuno Umudim Nnewi. Sir Louis, who was considered the wealthiest person in Nigeria at the time, was Nigeria's first recorded Millionare; and was the founder of Ojukwu Transport, Ojukwu Stores and Ojukwu Textiles. At his peak, he was the first and founding President of The Nigerian Stock Exchange as well as President of The African Continental Bank. He was also either Chairman or on the board of directors of some of Nigeria's most profitable companies such as Shell Oil Nigeria Limited, Guinness Nigeria Limited, Nigerian National Shipping Lines, Nigerian Cement Factory, Nigerian Coal Corporation, Costain West Africa Limited, John Holt, Nigerian Marketing Board amongst others Abubakar, & Yahaya,. (2013).

As a transporter, he had his own transport company (Ojukwu Transport Limited), which was the first major transport company to move the easterners to Lagos from the Asaba end of the Niger river after they might have crossed over from Onitsha on a boat. Ojukwu died in 1966, just a year before the Nigerian civil war. His son, Chukwuemeka Odumegwu Ojukwu was the leader of the secessionist state of Biafra. When he died, the businesses died with him. As for William Akinola Dawodu, he established his personal business in Lagos in 1905. The automobile business grew rapidly and he became the sole agent in Nigeria for American bicycles, Firestone Tyres and various brands of automobiles, including Dodge, Charlottte, Rio, as well as Premier, Hobart and the English Humber.

In Lagos and in Oshogbo, in the Western Nigeria hinterland, he established large retailing outlets and workshops where he had as many as fifty employees by the late 1920s. Unfortunately, his health and family life were beset by crises in the late 1920s. He died intestate in 1930 and the business went into liquidation the same year. The late Mrs. Charlotte Okajumoke Obasa also established her business called Anfani Bus Service in 1914 in Lagos. Towards the end of the colonial eta in Nigeria, family businesses began to witness a boost in size, structure and operations as they began to grow from micro enterprise level to small, medium and large organizations, providing jobs for Nigerians. For instance, the post-war era witnessed many successes, especially among Anambra business men who, despite the trauma and losses suffered during the three-year war, still managed to build large enterprises relying on self-help. After that unfortunate Nigeria/Biafra war, Igbos, who are Biafrans, were giving a paltry two pounds, no matter the amount they hand in bank before the war. Another debilitating economic stress subjected the Igbos was that; upon forcefully confiscating their money in banks, the Nigerian government promulgated Indigenization Act of 1977 (Ejiofor,Pita, 1987). In the policy, many foreign companies based in Nigeria were sold to Nigerians. Unfortunately, many Igbos were cash trapped to benefit from the policy.

Chief Augustine Ilodibe was easily Nigeria's biggest transporter with his "Ekene Dili Chukwu" transport business. There were others that built large scale contracting and construction enterprises such as Chief R.O. Nkwocha, Chief D.O Nkwonta and Chief F.G.N Okoye, all from Enugwu-Ukwu. Many other Igbos thrived in industry and real estate such as Chief John Anyaehie, Chief Nnana Kalu, Chief Ferdinand Anaghara, Sir Louis Odumegwu-Ojukwu and Chief Onwuka Kalu. Those that focused on commerce (import and export) thrived as well, such as Chief G.E Chikeluba and his partners at the GMO Group.

Unfortunately, most of these worthy pioneering Igbo sons have all passed on. Sadly, the estates and business empires they left behind have also crumpled, thus begging answers to the questions of what went wrong, and why, despite the Ivy league degrees their children possess, they could not salvage the businesses or even grow them further as are the cases with family owned businesses in America and in other parts of the world. There were other pioneer notable family businesses that existed in other parts of Southern Nigeria in the past. In this category was the late Omu Okwei who lived between 1872 and 1943. She was a famous indigenous trader in palm kernel in Eastern Nigeria, and as time went on, she ventured into clothing merchandise and carried on with the business till she died in 1943. The late Christopher Tagbo Onyekwelu, born in Nawfia in Anambra State, founded his commodity trading business in 1920 in Eastern Nigeria and later diversified into merchandise goods before the business went extinct with his demise. Family-owned business founders/owners seem not to address succession planning but rather leave it to chance, and this is dangerous for the business continuity across generations (Chuba, 2013; Lekan, 2012, Dele, 2014). Most businesses do not put policies and procedures in place on how things should be done. Creating or designing business processes and procedures will drive the business beyond the human beings because initially the business was built around the human beings. However, the business should create a process that human beings will now drive. So that when the founder leaves the seat, another manager will see the document, he will use it and follow it.

The document will guide the new person as he will follow what has been done and will be looking at how to improve on what is already in existence because there is a document. Unfortunately, in most Nigerian businesses, there are no documents, no procedures, and no policies; they do not even hold meetings. Also, some of the businesses collapse because some of the children of the original owners may not be interested in the type of business their fathers or mothers are doing. Others see themselves as outsiders and the business has no meaning to them; they do not have shares; they do not have any other thing they are benefiting apart from that salary. But if they were employed and given the impression that if they help grow the business, shares would be sold to them, they will have interest to protect that business. But in Nigeria, in some of the businesses, their family members who are interested may have other ulterior motives, particularly if it is a polygamous arrangement. It is based on this absences of succession planning that is driving family-owned businesses into extinction in Nigeria, that the researcher is motivated to embark on this study so as to test the presence or otherwise of succession planning in the sustainability of family businesses beyond the founders in Southern Nigeria, particularly in Anambra and Lagos states Aderonke, (2014)..

1.2 Statement of the Problem

It seems that one of the critical issues in family business succession failure in Southern Nigeria is the refusal of owner-managers to completely retire from the management of the business and retain ownership, and allow a successor to take full charge, even when it is apparently clear that they are too weak to carry on with the herculean task of running such a business. Often, such aged family business owner-managers spend more time battling old- age- related health challenges than indulging in creative thinking that perpetuates a business.

Equally, it seems family business succession failure always happens due to the inability of family business founders to thoroughly mentor a successor that will eventually succeed them at retirement or death. There are many Nigerian family businesses that are currently sitting on a time bomb of succession failure disaster as a result of having the founders' un-mentored first sons at the helm of affairs of their businesses without having those children worked their way up through the ranks, learn the ropes and cut their teeth at the various stages of operations in the businesses. The demise of their fathers may spell doom for these businesses as is always the case

Another major problem in succession planning in these family businesses is that the owners seem to always stick to a family member successor, particularly their first son, even when the anointed potential successor lacks the capability and the interest to carry on with the family business.. The owner ignores the option of handing over the management of the business to competent non-family member Chief Executive Officers (professional managers), even when situation demands so. This myth; that their successors must be their first sons or chosen among their children, seems to prevent them from having a comprehensive succession plan in place.

This trend of family business succession failure in Southern Nigeria is quite disturbing, considering the huge negative impact the retirement/demise of this crop of present generation business moguls will have on investment, employment and GDP without proper succession planning. This is why this researcher took to investigate succession planning as it relates to the sustainability of family businesses in Anambra and Lagos States of Southern Nigeria.

1.3 Objectives of the Study

The broad objective of this study is to evaluate the effect of succession planning on sustainability of family businesses in Anambra and Lagos States of Southern Nigeria.
Drawn from the broad objective are the following specific objectives:

i. Determine the nature of the effect between delayed-retirement of family business owner-managers and the perpetuity of the businesses in Anambra and Lagos States.
ii. Determine the nature of the effect between mentoring and power transfer of family businesses and the perpetuity of the businesses in Anambra and Lagos States.
iii. Evaluate the nature of the effect between the appointment of non-family member Chief Executive Officers (CEOs) as successors in the family businesses and the perpetuity of the businesses in Anambra and Lagos States.
iv. Ascertain the nature of the effect between family elders' forum's ability to resolve succession crisis and the perpetuity of the businesses in Anambra and Lagos States.
v. Ascertain the effect of training and development of a successor of a family business and the perpetuity of the business in Anambra and Lagos States.

REVIEW OF RELATED LITERATURE

2.1 Conceptual Review

Conceptual review defines and explains the variables used in the study

2.1.1 Family Business

Ibrahim, Dumas, and MacGuire (2011) aver that family business is an emerging concept. They argue that the concept is just recently receiving attention in the academic field. However, several arguments on what really constitute family business are still in top gear. Thus, until this time, authors and researchers in the field of family business are yet to agree and strike a balance on a specific definition of family business. Many researchers (Churchill and Hatten 2009; Handler, 1999; Lorna, 2011) and a host of others have made frantic efforts to arrive at a certain definition, particularly in business management research domain but they still ended up offering different views on the definition of family business.
Barnes & Hershon (2009) see it as a business where controlling ownership is vested in the hands of an individual or members of a single family. Handler (1999) defines Family business as an enterprise that is found in proprietorship, partnership, corporation or any form of business association where voting control is in the hands of a given family. Kellermans and Edddleston (2004) define family business as a business system which is characterized by: One family (nuclear family or extended family) is the controlling owner; Family and business systems are interacting; and Inter-generational transfers (successions) have previously happened, are happening at present, or are anticipated to happen in the future. In the view of Chua, Chrisman and Sharma (2003), family business is a business governed and/or managed with the intention to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations. Lee-Chua (2006) sees family firm as one in which at least 50% of the ownership and management fall within one family, whether related by blood, marriage or adoption. Lorna (2011) defines family business as one that will be passed on for the family's next generation to manage and control, Ogundele, Idris, and Ahmed (2011) define it as a business run by at least one family member. Churchill and Hatten (2009) also see family business as a founder-operated business where there is anticipation that the business will be passed to the next generation.

2.2 Theoretical Framework

2.2.1 Competency Theory of Succession Planning

This study relies on the Competency Theory of Succession Planning (Vathanophas and Thaingam, 2007). Competency theory is a framework that identifies a combination of skills, knowledge and behaviours which a successor must possess in order to perform and ensure the survival of a business. It adds that for this model to be respected the competencies must comply with the job activities of the successor, otherwise the business will fail.

This theory specifically supports objective number one (the relationship between delayed-retirement and the business perpetuity) as it strictly means that the owner-manager of a family business should retire from the management position the moment his/her management capability is declining as a result of old age related health challenges, otherwise the family business will fail. Also, this theory supports objective number two (the relationship between mentoring and

successful management transference) as mentoring equips a mentee with the requisite skills, abilities and experiences that a particular family business needs to survive succession.
Interestingly, this theory equally backs objective number three (which seeks to determine the relationship between the appointment of a non-family member CEO in the absence of a competent one in the family business and the business continuous viability) as it emphasizes the appointment of family business CEO purely on merit basis. This strictly means that if it is a non-family member Chief Executive Officer (CEO) that is capable of managing a family business at the retirement or death of the founder, such person should be given the chance otherwise the business is bound to fail.

2.3 Empirical Review

Troy and Dawn (2001) investigated the influence of having a mentor on employee perceptions of work-family conflict. Results from a field survey of 502 employees showed that individuals with mentors reported significantly less work-family conflict, particularly work-family conflict, than those respondents who did not have mentors. Other important findings indicate that a mentor's support of a protégé's efforts to balance work and family demands has significant effects on reducing protégé's work-family conflict and that the role modeling function of mentoring significantly reduces work-family conflict experienced by protégés. The gap in this study is that it did not relate the issue of mentoring to succession issues in family business.

Cynthia, Thompson and Beauvais (1999) studied the influence of work-family culture on benefit utilization, organizational attachment, and work-family conflict. They developed a measure of work-family culture (i.e., the shared assumptions, beliefs, and values regarding the extent of which an organization supports and values the integration of employees' work and family lives) and examined its relationship to work-family benefit utilization, organizational attachment, and work-family conflict. Using survey data from 276 managers and professionals, they identified three dimensions of work-family culture: managerial support for work viz: family balance, career consequences associated with utilizing work-family benefit, and organizational time expectations that may interfere with family responsibilities. As predicted, perceptions of a supportive work-family culture were related to employees' use of work-family benefits. Both work-family benefit availability and supportive work-family culture were positively related to affective commitment and negatively related to work-family conflict and intentions to leave the organization. The pitfall in this study is that it was not related to succession planning.

Babara et al (2012) studied the succession transition proves in Switzerland, focusing on a longitudinal perspective. Based on longitudinal case study analysis, the paper provides a critical view of the succession process as it unfolds during the generational transition periods in family enterprise systems. The results indicates that the transition period contains a sequence of phases, which they called the transition cycle, during which time the system has an opportunity to do the work or tasks required when changing from one archetypal form of ownership and leadership to another. The study states that each phase in the transition period has a distinct task that the system needs to address, and the whole process requires between three and eight years to be completed. Three distinct types of transition "journeys" were identified based on the extent to which the system was able to make progress with and achieve the tasks required within the transition cycle. One of these journey types was most likely to lead to continuity of the family

enterprise, whereas the other two journey types were more likely to lead to disintegration of the system. In our view, this study failed to provide enough empirical evidences to back up its claim. Also, this study was not done in Nigeria.

Ercilia and Jordi (2013) examined the socialization patterns of successors in first-to second-generation family businesses in Spain. The study focuses on the socialization of potential successors in family business and attempts to relate this process to values that founders intend to convey to the next generation. They found that there are two different phases common to all socialization processes. The first stage is characterized by family socialization which consists of value transmission and training, and this is common to all founders' descendants. The second stage is characterized by business socialization and reserved only for the founders' potential successors. They also indentified two models of socialization that pursue two different aims:

a) The Founder Homosocial Reproduction Model and
b) The New Leader Development Model.

This study concludes that these socialization models are consistent, not with values that the founder intends to convey to potential successors, but also with the founder's own business perception. Again, we identify a gap in knowledge in this research as it did not convey how this socialization impacts on succession planning at retirement/death of the founder. Too, we cannot rely on the findings as the variable was not subjected to empirical evaluation.

Terri and Ethlyn (2004) evaluated mentoring and transformational leadership with special emphases on the role of supervisory career mentoring. They posit that leaders need to serve as mentors to activate transformational leadership and promote positive work attitudes and career expectations of followers. To test this premise, incremental effects of transformational leadership and mentoring over each other were examined using 275 employed MBAs. Respondents with supervisory mentors reported receiving higher levels of career mentoring than respondents with non-supervisory mentors. Supervisory career mentoring (SCM) and transformational leadership had incremental effects over each other for job satisfaction. SCM had mediating effects over transformational leadership for organizational commitment and career expectations but there were incremental effects with idealized influence and inspirational motivation for job satisfaction and organizational commitment. Implication for the changing role of mentorship in organizations, as discussed, was never related to succession planning in family business.

John and Veronica, (2000) looked into the effects of gender composition of mentoring relationships on protégé's perceptions of the degree of role modeling and psychosocial and career development mentoring functions received. Data from 200 mentor/protégé dyads, composed of working professionals from a variety of industries, were analyzed using ANOVA with planned comparisons. Results indicate that mentoring relationships involving female mentors in either homogeneous or diversified relationships provided more role modeling and less career development than relationships involving male mentors. Unexpectedly, male mentors in homogenous relationships were associated with lower levels of role modeling than female mentors in either homogeneous or diversified relationships. Homogeneous male relationships also offered less psychological support than female mentors in diversified relationships with male protégés. Male mentors in diversified relationships with female protégés were associated

with more career development than any other gender combination of mentoring relationship. This present researcher observed again in this study under review that mentoring was never related to succession planning in family survival, hence the need for study on secession planning.

RESEARCH METHODS

3.1 Population of the Study

Table 3.1 Number of Small and Medium Enterprises in Lagos and Anambra states.

State	Small Enterprises	Percentage	Medium Enterprises	percentage	Total
Anambra	656	13.66	81	17.23	737
Lagos	4,146	86.34	389	82.77	4,535
Total	**4,802**	**100**	**470**	**100**	**5,272**

Source: The Small and Medium Enterprises Development Agency of Nigeria/National Bureau of Statistics Collaborative Survey (2017, pp. 117).

3.2 Sample and Sampling Technique

Therefore, the required sample was determined using the Taro Yamane (1964) formula shown below:

$$n = \frac{N}{1 + N(e)^2}$$

Where n = sample size
N = POPULATION
e = error margin, taken as 5%
1 = a theoretical constant.

By substitution, the following sample size was arrived at

Anambra=737
Lagos= 4,535
737+ 4535= 5272

$$n = \frac{5,272}{1 + 5272(0.05)^2}$$

n = 399.9
n = 400

Therefore, a sample size of 400 was used.

3.3 Sources and method of Data Collection

Primary and secondary sources of data were generated. The questionnaire was divided into two main parts, namely: section A, and section B.

3.4 Model Specification

Business model is the representation of the basic features of a Business phenomenon. In order to identify the nature of relationship between strategic succession planning and family owned business in Southern Nigeria, it is imperative to establish a model or paradigm for analysis, whereby the parameter estimates of strategic succession planning can be determined. Thus, a linear regression model (OLS) is stated in a functional form.

This study adopted the independent variables of life cycle approach of succession planning by Churchill and Hatten (2009) and modified it to arrive at these five independent variables.

$Y= f(x_1, x_2, x_3, x_4, x_5)$…………………………………………………………….(1)

PFB= F(DROM, MPT, NFMCEO, FEFA, TADOS)…..…………………………(2)

$POFB= \beta_0 + \beta_1 DROM + \beta_2 MPT + \beta_3 NFMCEO + \beta_4 FEFA + \beta_5 TADOS + \mu$……..…(3)

WHERE

PFB= Perpetuity of family business- proxy for dependent variable

DROM= delayed retirement of owner managers

MPT= Mentoring and power transfer

NFMCEO= Non family member chief executive officers

FEFA= Family elders forum ability

TDS= Training and development of successors

F=Functional Notation

DATA PRESENTATION AND ANALYSES

4.1 Presentation of the Regression Result .

Variable	Coefficient	Std error	T-test	Prob
C	1.150343	0.737470	1.559851	0.1296
DROM	0.042021	0.051359	2.818180	0.0199
MPT	0.132654	0.276555	0.479667	0.6351
NMCEO	0.694537	0.051497	13.48692	0.0000
FEFA	0.008751	0.002255	1.880637	0.5306
TD	0.572817	0.178720	3.205117	0.0033

Source: Author's computation using E-view version 9.0

R- Square 0.984445

Adjusted 0.981764

F- Statistics 367.0804

Prob (F- statistic) 0.000000

Durbin-Watson 1.943737

4.2 Interpretation of the Regression Result

From the result in table 4.3 above, $R^2 = 0.98\%$, it means that our independent variables explained about 98% of the total variation in the dependent variables leaving the 2% which will be accounted for by other variables outside the model as captured by the error term. The adjusted R^2 is 98% which means that even an adjustment in the explanatory variables, they can still explain about 98% of the change in the dependent variables.

The F-statistics is used to test if or not the model has a significant relationship between the dependent and independent variables in the regression model. From table 4.3 the calculated value of F is 367.0804while its probability is 0.00000 since 0.00000 is less than 0.05 desired 5% level of significance, we accept and state that there is a significant relationship between the variance of the estimates and that of the independent variables. This means that the parameters are statistically significant in explaining the relationship between the dependent variable and independent variables.

The a'priori expectation is used to determine the existing business theories and this indicates the signs and magnitude of the variables. From our regression it is observed that

Delayed-retirement of family owners-manger (DROM) has a positive sign, given us value as 0.042021; this implies that increase in Delayed-retirement of family owners-manger increases the perpetuity of family businesses by 0.4%. This conforms to our a'priori expectation. Meanwhile monitoring and power transfer (MPT) has a positive sign given its value as 0.132154, this implies that increase in (MTP) will increase the perpetuity of family businesses by 0.13%, this suggest that it conform to our theoretical expectation. However, non-family member chief executive officer has a positive sign, given its value as 0.694537, this suggest that a unit increase in non-family member chief executive officer (NMCEO) increase the perpetuity of family businesses by 0.69% this further suggest that it conform to our theoretical expectation. Family elders' forum's ability (FEFA) confirm to business theories because in increases in Family elders' forum's ability increases perpetuity of family businesses by 8%. Training and development (TD) has a positive sign, given us value as 0.S72817; this implies that increase in Training and development increases the perpetuity of family businesses by 0.57%. This conforms to our a'priori expectation.

The t-test is used to measure the individual statistical significance of our explanatory parameter in the model. From table 4.3 above Delayed-retirement of family owners-manger (DROM) is 2.818180, this is statistically significant this suggest Delayed-retirement of family owners-manger as it relates to family businesses has encourage perpetuity of family businesses in Nigeria. Monitoring and power transfer (MPT) is 0.479667; this implies that it is statistically insignificant this further suggest that it does not contribute significantly the perpetuity of family businesses. Non-family member chief executive officer (NMCEO) is 13.48192, P.value (0.000) this implies it's statistically significant and contributed significant to the perpetuity of family businesses. A look at Family elders' forum's ability (FEFA) has shown its value as 1.880637 (0.5006) this maintains that its statistically insignificant and has not contributed highly to the perpetuity of family businesses. Training and development given its value as 3.205117, it is sadistically significant and has contributed greatly to perpetuity of family businesses.

The Durbin-Watson (DW) test for autocorrelation will be used to test for the presence of first order autocorrelation in the model when the value of DW is closer and a little above 2.00, it means the presence of autocorrelation among the explanatory variables. From the table 4.5 above our DW result is (1.9) this implies the absence of autocorrelation hence our variables can be used for predictive purposes.

CONCLSION AND RECOMMENDATIONS

5.1 Conclusion

From the discussion of findings in the preceding chapter, the following conclusions are drawn: Nigerian family businesses suffer lack of sustainability beyond their founders because of their work-for-life attitude as their old age usually takes a toll on the fortunes of the businesses and often kills the businesses before their transference to their successors. This is true because the founders, struggling with retirement, often experience powerful feelings of rivalry and jealousy toward potential successors, and this attitude perpetually keeps the founders in the management of the businesses even at their unproductive old age where the businesses continue to decline and eventually collapse.

5.2 Recommendations

Having discussed the findings extensively, and drawn some conclusions therein, the following recommendations are made:

1. The owner-managers of family businesses in Nigeria should embrace the retirement age in the nation's civil service and the multinational companies and discard their work-for-life attitude so as to prevent of age related challenges from hampering the fortunes and perpetuity of the businesses. This is true because delaying retirement to an unproductive age of the owner could kill the business before transference.

2. Mentoring and power transfer to potential successors should be encouraged by family business owners in Nigeria in order to ensure successful management transference in the event of retirement or death of their owners. This is important because family businesses are heavily dependent on their owners, not only for their leadership and drive but also for their connections and technical know-how.

3. Members of a family business with a dearth of a competent CEO successor among them at retirement or death of the owner-manager should encourage the appointment of a non-family member Chief executive Officer (professional manager) as a successor to enhance the business continuous viability because experimenting with a family-member neophyte CEO is a recipe for disaster as learning the ropes at CEO level often comes with grievous and irredeemable mistakes.

4. Nigerian family businesses should constitute family elders' forum, especially in polygamous and extended families to be amicably resolving family crises that are capable of destroying the business as prolonged court litigations and injunctions in succession crises resolution are counterproductive. This again is essential because family elders tackle family crises and forge family consensus, counteracts declining family bonds and low identification with the firm, as families grow and spontaneous social contacts among family members decrease.

5. Members of a family business should facilitate training and development of a successor of a family business as it will promote the family's exploration of their collective dream of continuity and conveying a policy-driven stewardship culture and enthusiasm for the business.

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