

Transgenerational Plan in Thai SME Family Business

แผนการส่งต่อกิจการในธุรกิจครอบครัวขนาด SME ไทย

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Abstract

Family businesses are representing 72% of the overall Thai economy (about 39 trillion Baht annually) but they have been struggling to have a stable trans-generation succession plan. This research was to study about transgenerational plan of Thai SEM family businesses and the attitude before passing on their businesses to the next generation. One hundred in-depth interviews with 100 Thai family businesses revealed that most of the business owners believed that they had a succession plan to prepare their successors. The first generation was the most passionate about their business and they wanted to pass-on their legacies to the next generation; however, the second generation wanted to pass on “stability” and focused on profitability as a criterion for passing on their business. Not all of the appointed successors were keen to continue their family legacy after experiencing the family businesses because of intimidation from previous generations and lacking of passions toward the business. Three misalignments were found among the three generations in family business that were caused by misplaced expectation on higher education of older generations, conflicting between passion and responsibility of the successors, resistance to changes of the older generation and lacking of persuading skill of the successors. A formal transitional program was recommended for the successors to implement new ideas and technologies while sustainably manage their family businesses and learning new skills to reduce resistance to changes.

Keywords: *Thailand, Family Business, Transgenerational Plan, Successors*

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บทคัดย่อ

ธุรกิจครอบครัวมีความสำคัญในการขับเคลื่อนเศรษฐกิจไทยในอัตราร้อยละ 72.00 ของประเทศ (มูลค่าประมาณ 39 ล้านล้านบาท) วัตถุประสงค์งานวิจัยนี้ คือ การศึกษาการเตรียมพร้อมในการส่งต่อกิจการธุรกิจครอบครัวขนาดกลางและขนาดเล็กของไทย และการเตรียมพร้อมในการสืบทอดกิจการของรุ่นต่อไป โดยผู้ประกอบการส่วนใหญ่มีความยากลำบากในการวางแผนการสืบทอดกิจการอย่างมั่นคง งานวิจัยนี้ได้สัมภาษณ์เชิงลึก เจ้าของธุรกิจครอบครัว จำนวน 100 ราย ผลการวิจัยพบว่าผู้ประกอบการส่วนใหญ่มีแผนการส่งต่อธุรกิจแก่ทายาทรุ่นต่อไป โดยเจ้าของกิจการรุ่นที่หนึ่งมักมีความหลงใหลในธุรกิจที่ตนเองเป็นผู้สร้างและต้องการจะส่งต่อกิจการอันเป็นมรดกนี้แก่ทายาทรุ่นต่อไป และเจ้าของธุรกิจรุ่นที่สองต้องการส่งมอบความมั่นคงและกิจการที่ทำกำไรแก่ทายาท แต่ผู้สืบทอดธุรกิจครอบครัวรุ่นที่สามอาจจะไม่ต้องการที่จะรับมรดกกิจการต่อจากพ่อแม่ เนื่องจากได้รับอิสรภาพในการบริหารงานน้อย และผู้สืบทอดฯ รุ่นที่สามมีความหวงแหนในกิจการน้อยกว่าเจ้าของกิจการรุ่นก่อน งานวิจัยนี้ยังพบสิ่งที่ไม่สอดคล้องกันระหว่างเจ้าของกิจการทั้งสามรุ่น คือ ผู้ประกอบการรุ่นเก่ามีความคาดหวังในการศึกษาที่สูงขึ้นของทายาทรุ่นใหม่ที่ไม่ตรงกับความต้องการของตน ความมีฉันทะและความรับผิดชอบต่อกิจการที่ไม่เท่ากันระหว่างรุ่น และการยอมรับในการเปลี่ยนแปลงในแต่ละรุ่นที่ไม่เท่ากัน งานวิจัยนี้แนะนำว่าการวางแผนสืบทอดกิจการอย่างเป็นทางการและการสื่อสารระหว่างรุ่นจะเป็นสิ่งที่จะช่วยในทายาทสามารถนำความคิดสร้างสรรค์และเทคโนโลยีที่ทันสมัยมาปรับใช้กับธุรกิจครอบครัว และในเวลาเดียวกันทายาทยังได้เรียนรู้ทักษะการเปลี่ยนแปลงองค์กรเพื่อการเปลี่ยนแปลงอย่างราบรื่นในอนาคต

คำสำคัญ: ประเทศไทย ธุรกิจครอบครัว แผนการสืบทอดธุรกิจ ผู้สืบทอดธุรกิจ

Introduction

Family business (FB) is one of the oldest organization that has difference personas compared to non-FB organization. It is the combination between “to work and to love.” The complication in FB is “Three-Circle Model of Family Business” (the overlapped linkages between business, ownership, and family) (Gersick, Davis, Hampton, & Lansberg, 1997). Thai economy is driven by small and medium size FB (valued 39.04 trillion Baht per annum and about 72.00% of the total economy) (Kanokkanjanarat, 2015) and starting new FB SMEs was supported by Thai governments (Wasi, Sa-ngimnet, & Monchaitrakul, 2019). FB founders wanted to pass on their legacies to their younger generations and wanted their companies to last and expand through generations (Ward, 2016). Apparently,

some FBs succeeded and many have failed. Trade secret was FB’s key to survive for more than two generations. Ward (2016) explained five steps for leading sustainable FB: 1) maintain profitability; 2) shape future directions; 3) prepare new FB leadership; 4) ensure the support of non-working family members; and 5) thoughtful philosophies guidance. Currently, there was no specific transgenerational theory and only few scholars were discussing about different concepts of the transition process.

Transgenerational entrepreneurship (TE) has been extensively studied and suggested that FBs’ TE was based on 1) familiness, and 2) entrepreneurial orientation (EO) skills (i.e., processes, practices, and decision making) (Charupongsopon & Puriwat, 2017; Clinton, McAdam, & Gamble, 2018; Habbershon &

Williams, 1999; Lumpkin & Dess, 1996; Sieger et al., 2017). Basco, Calabrò, and Campopiano (2019) reported that FB had inherent heterogeneous business management practices and cultures that affected FB's performance, EO, family-developed resources, and interaction between them. However, the formal academic studies regarding transgenerational plan between generations in Thai small and medium enterprises (SME) family business were very limited.

Malik (2019) reported founder (G1)'s apprehensions toward successors from interviewing 18 Thai small FB founders based on the appraisal theory (Lazarus & Smith, 1988) and affective decision theory (Forgas, 1995). The differences between the founders and the successors (namely education, logical thinking, identity importance, physical-social spectrum, experiences) drove the apprehension (Malik, 2019). By studying 832 firms listed in Thai stock market, Sitthipongpanich and Polsiri (2015) suggested that generation diversity in FB's board of directors was important for FB's development. However, to date, a formal academic study about the attitudes of Thai FB owners on their succession plan has not been publicly reported.

Semi-structured interview was a widely used data gathering mode in the social sciences especially in qualitative researches (Edwards & Holland, 2013) when researchers would like to obtain both structured data and in-depth insights from interviewees. A semi-structure interview provided flexibility of unstructured interview that allowed new ideas to be probed during the session with somewhat uniformed answers when compared to those from structured interview. With pre-prepared structures, a semi-structured interview allowed an interviewer

to gather "needed" information; meanwhile, new topics and in-depth insights could be investigated (Bjørnholt & Farstad, 2012; Smith, 2019). Interpretation of qualitative information from interviews has been criticised to be overly subjective; therefore, an objective analysis is recommended to aid the interpretation of the result. Network analysis (NA), a type of content analysis, utilized both matrices and graphs to elucidate patterns of ties among nodes (a.k.a. actors). It is a powerful visualization tool to aid the interpretation of the interviews. A network of co-occurrence could be revealed when an entity (in this case each FB) decided to choose many choices in different questions in a questionnaire or mentioned topics in an interview. These decisions "co-occurred" within the context of the study and generated empirical information. Semi-structured interview provided a scarce pattern of the co-occurrence matrix and Jaccard's similarity index was recommended (Borgatti, Everett, & Feeman, 2002; Hanneman & Riddle, 2005). FB's co-occurrence matrix of the FB interviews was composed of nodes (the answers) connected by lines (ties) when the Jaccard's index representing the "strength of co-occurrence" of the connected answers (nodes) and allowed ones to see the connections between answers and status of FBs (e.g., financial performance, having succession plan, etc.). The network visualized the insights to aid the interpretation of the interviews.

The primary aim of this study was to investigate how Thai FB owners prepared for their transgenerational plan (TP) and to gauge their attitudes and readiness for the transfer in order to help smoothen the succession and enhance the survival Thai SME FBs'.

Methodology

Sample

The samples were selected conveniently from the roster of BUSEM students who representing all regions in Thailand. One hundred Thai SME family businesses (FB) with at least 2-3 generations in their families from all regions participated in this study. The majority (73%)

of the FBs consisted of the first generation (G1) followed by second generation (G2) and third generation (G3) (Table 1). Twenty three percent of the business owners were female, which was higher than the average proportion (18%) of female entrepreneurs in 2019 global family business survey (Calabròalfredo & Valentino, 2019) (Table 2).

Table 1 Generation of the family business owners of 100 Thai SME family businesses

Generation of family business owner	
First (G1)	73.00%
Second (G2)	24.00%
Third (G3)	3.00%

Table 2 Gender of the family business owners of 100 Thai SME family businesses

Gender of the family business owner	
Male	77.00%
Female	23.00%

Most of the entrepreneurs (65.00%) were in Bangkok and the Central regions of Thailand (Table 3). Seventeen percent of the samples were in the Eastern part of Thailand under

Thai government's Eastern Economic Corridor of Innovation (EECi) zone with investment and promotion support (Intarakumnerd, 2019).

Table 3 Regions of 100 Thai SME family businesses

Regions		Regions	
North	2.00%	East	17.00%
North East	9.00%	West	3.00%
Central	27.00%	South	4.00%
Bangkok	38.00%		

Instruments and data collection

One-on-one semi-structured interview was employed using an interview guide developed based on Successful Transgenerational Entrepreneurship Practices (STEP) Project framework (Calabròalfredo & Valentino, 2019). The STEP questionnaire was used successfully in many FB's transgeneration studies in 12 languages including Thai (Basco et al., 2019). The interviews were conducted separately with each generation member of each FB. The interview flow was structured as the following: 1) introduction to gather basic demographic information, then securing information about 2) company competitive advantages in their own view, 3) current opinion on their own business situation and environment, 4) expansion plan, 5) family background and business history, 6) transgenerational plan, 7) crisis experiences, and 8) reaction of the owners after some business suggestions were given.

Data analysis and interpretation

The interview transcripts were read, interpreted, and analyzed. Demographic information from the structured part of the interview (i.e., generation of family business owners, gender, region of FB, business sector, type of critical conditions faced, business cycle)

was tallied and reported in the methodology section. The other structured information (e.g., self-perceived trans-generational plan, number of professional managements employed, etc.) and the actual financial reports were used for the network analysis (NA) to visualize the connections between the content attributes. However, only 40 FBs allowed us to access their financial report; therefore, the NA was performed only on the 40 FBs using Jaccard's similarity index using UCINET 6.0 (MA, USA) (Borgatti et al., 2002; Hanneman & Riddle, 2005). The interview verbatim from in-depth probing was read, analyzed and interpreted. The NA aided qualitative data analysis helped the researchers to detect and interpret the differences between the generations, founder (G1), and successors (G2 and G3).

Research Result and Discussion

Demographic information

The top four business sectors in this survey were service providers, traders, manufacturers, and agriculture, respectively. The majority was sole trader, only ten percent was the multi-family business organisation (Table 4). The CEOs of FBs (61.00%) were not keen to employ professional management to manage the whole or part of their company.

Table 4 Type of business sectors and type of family business 100 Thai SME businesses

Type of business sector		Type of family business	
Trading	33.00%	Sole trader	90.00%
Agriculture	6.00%		
Manufacturers	22.00%	Multi families business	10.00%
Services provider	39.00%		

FB owners (95.00%) wanted to pass business to the next generation, and 87.00% of them believed that they had a formal TP. These numbers were much higher than the reported global FB number (30.00%) (Calabròalfredo & Valentino, 2019). The successors (95.00%) desired to continue their FBs. Nearly half of the

key respondents were facing the financial and marketing crises. From 40 FBs with financial reports, 57.50% of the FBs were profitable. However, 69.00% of the total 100 FBs considered their business as sunrise and only 3.00% admitted their business decline (Table 5).

Table 5 Type of critical condition faced, stage of business cycle, condition of business of 100 Thai SME, and family businesses and business performance of 40 family businesses

Type of critical condition faced		Business cycle	
Political and law & regulation	8.00%	Extent	46.00%
Financial & cash flow	26.00%	Survival	36.00%
Marketing	23.00%	Renewal	15.00%
Startups	3.00%	Decline	3.00%
Management	17.00%	Condition of business	
Labour issues	14.00%	Sunrises	69.00%
Natural disasters	9.00%	Sunset	31.00%
Business performance* (*based on 40 FBs)			
Declining		20.00%	
Stable		22.50%	
Increase		57.50%	

Overall, three important insights were discovered: Passionate first generation, Passion vs. Profit, and Misalignment between generations. In addition, there were four transition plans among Thai FBs.

Passionate first generation (G1)

The founders (G1s) were very passionate about their FBs. They were much more passionate than their children (G2) and grandchildren (G3).

They firmly believed that hard work brought success as it was clearly stated from one of the founders interviewed:

“I have been in this chili paste business for more than 40 years, I still have to get up at 4 am. to check quality of the ingredients every day. If any ingredients have any quality issue then I can adjust the recipe before the production starts” - A founder and owner of a chili paste manufacturer.

The above statement indicated many facts about the G1s, namely, 1) Hands on: they still strongly involved in the business and were hands on in all of the process, 2) Strong work ethics and hard work, and 3) they were the solution for all issues (may be due to trade secret that only they knew). These facts were mentioned as the root causes of profit.

G1 faced many crises (mainly financial crises), but they kept a positive outlook. However, the business owners (98.00% of the 40 FBs that disclosed their financial statement) suggested that their businesses were on the rise, while only 80.00% FBs were actually profitable. In summary, the G1s were very positively passionate about their FBs and focused on making their FBs profitable in any situation.

All founders wanted to pass on their legacy to their successors. Most of them treated the company as an inheritance in their will. The NA revealed a strong link between G1, their willingness to pass business to their successors, and having a succession plan (figure 1). From the dialogue, most of the G1s did not agree to invite professional management to manage their FBs; but the NA revealed that the expert was the facilitator for their business succession and some of the G1s wanted the help (figure 1). G1 linked directly to “Having succession plan” and “Want to pass business to successors” nodes and these two nodes were facilitated by “Disagree to have professional management” node. Then, the 4 nodes formed a clique.

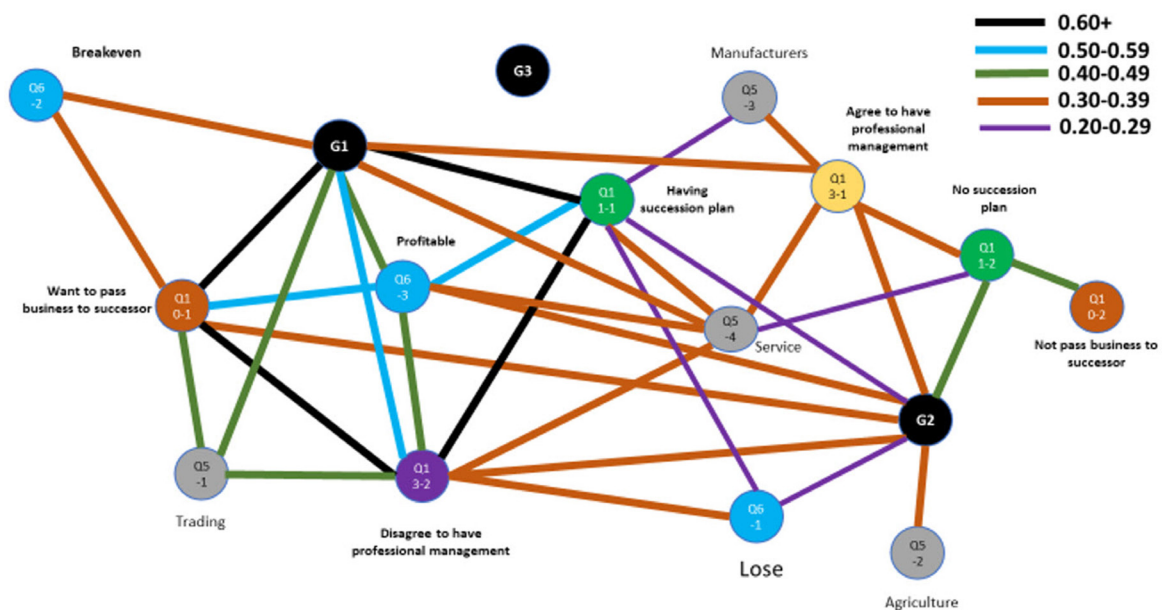


Figure 1 Network of FBs' management generations (G1, G2, and G3). Different line colors indicate different strength of Jaccard's index

Source: Authors

Interestingly, G1s was the link between “Profitable” node and “Want to pass business to successor” node. Profitable node was a special node as it was a fact obtained from FBs’ official financial statement. This connection (G1 ⇔ Want to pass business to successor ⇔ Profitable) was the visual representation of two insights: 1) G1s wanted to pass on their FBs because the FBs were profitable, and 2) profitable FBs were still managed by the G1s (figure 1).

Passion vs. profit

G1, G2, and G3 were different. G1s were very passionate and believed that their businesses were profitable; therefore, G1s wanted to pass on their FBs to G2 and/or G3 (figure 1-black links). Meanwhile, G2 FB owners wanted to ensure company’s stability and sustainability by focusing on business process improvement. For example, a G2 FB owners from an FB mentioned that

“We are trying to bring IT system to use in the operational plan. The software is very expensive but we are investing for the long run”.

The statement stressed on the G2’s intention toward building sustainability through leveraging technologies to increase efficacy for their FBs. G2 FB owners diversified their businesses with little experience and took risk for an opportunity. Importantly, the G2 FB owners’ succession plan depended on profitability. If they deemed that their FBs were not profitable, they were not willing to pass the FBs to their children (G3) (see G2 ⇔ No succession Plan ⇔ Not pass business

to successor links in figure 1). Therefore, the G2 FB owners’ succession plans were “Profit driven” rather than “Passion driven” of the G1s. The G2s rather hired professionals than forced the G3s to continue their FBs (see G2 ⇔ No succession Plan ⇔ Agreed to have professional management links in figure 1). The NA revealed that there was no link between G2, G3 and Profitable (figure 1) and it suggested that FBs running with/by G2 were not profitable. Additionally, the G2 FB owners did not want to pass non-profitable (or instability) to their children (G3), thus the lack of links between G2, G3 and “having succession plan” was expected (figure 1).

Misalignments between generations

The three generations had different mindsets. G1 wanted to pass their “legacy” to the next generations; meanwhile, G2 wanted to pass “stability” to G3; however, G3s were torn between the “stable legacy” from G1 and G2 and their “own passions”. The misalignment was caused by the differences in “generation characteristics”, “education levels”, and “hands-on experiences”. Figure 2 shows the differences in education levels among the generations. G2s and G3s had better and higher education than G1. G1s believed that lacking of education hindered their rise in social status and caused them to have a difficult time in building business. Therefore, G1s believed in providing better education to their successors (figure 2).

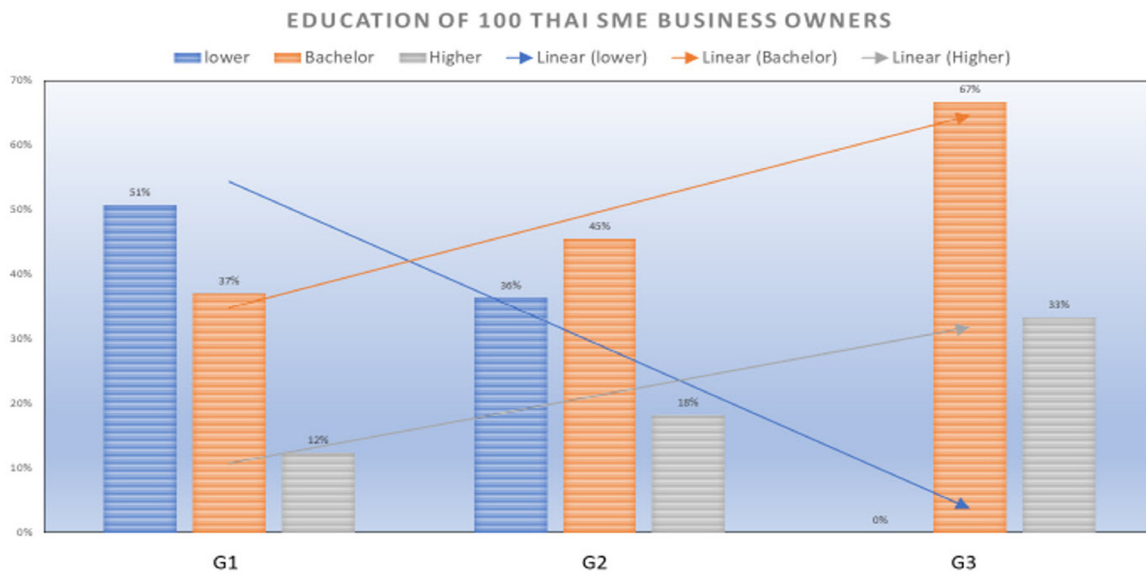


Figure 2 Education of 100 Thai SME business owners

Source: Authors

Besides the education gaps between G1 and G2, G2s considered themselves to lack specific educations and they provided that specific educations to their children (G3). For example, the founders (G1s) in 1980s sent G2 to gain a bachelor degree of Business Administration (BA) or a master's degree in Business Administration (MBA). Both degrees were expected to introduce G2s to business management; but it was not sufficient for transforming their FBs and this situation was reported in other countries (Cano-Rubio, Fuentes-Lombardo, & Vallejo-Martos, 2017). Therefore, the G2 FB owners provided G3s higher and more specific educations. With stable foundation, G3s had freedom to choose their own fields of studies and their lifestyles. The G3s were keen to inherit and expand their FBs further along with their own passion unrelating to their FBs. This dilemma was the clear message from the interviews that G3s were less passionate about their FBs than their predecessors.

The first misalignment was high expectation due to higher education. This misalignment happened when the succession plan was designed by older generations especially for G3. Many FBs (27.00%) forced the G3 successors to start learning certain skills to run their FBs during the weekend or school holidays. Even though younger generations (G2 and G3) had higher education, they have less experience than G1. However, the older generation (especially G1) expected the newer generation to perform well due to their acquired higher education. The successors realized this misalignment when they began to involve in running their FBs and felt pressure from G1's legacy and began to doubt their abilities especially when handling the FBs with active G1. This misalignment was also reported in other FBs in other countries (Zellweger, Sieger, & Halter, 2011). This led to lack of confidence found in most of the successors in this study. The successors realized

that, to run their FBs successfully, they really needed a “hand-on” experience in addition to their higher education alone; and only G1s had that depth of experiences. Nevertheless, the G1s kept many details as secrets and they held control over many important parts of their FBs (e.g., connections to suppliers and major account customers) and were disappointed with new generations’ performance. Two thirds of the FB owners had no retirement plan and, with these active G1s, conflicts happened among the generations. This finding was matched with the STEP 2019 global family business survey. Consequently, the successors especially G3 were afraid to face with the business pressure and began to look for a secondary business that deviated from their FBs.

The second misalignment was the conflict between their own passion and responsibility. This misalignment was found mostly in G3 and some of G2 successors. The successors wanted to build their own businesses that may not align with their FBs; however, they gratuitously wanted to keep their FBs. Prompatanapak (2019) reported the similar findings among Thai FBs successors. When the successors faced with hurdles, they began to doubt their abilities and started to follow their own passions. Consequently, the successors lost focus on their FBs.

The third misalignment was older generations’ resistance to change or the successors’ lack of skill to introduce changes. This misalignment was found in all generations with two different reasons. First the education gaps; this happened more among G3s due to their specific education and lack of persuasion skills to introduce the new knowledges and technologies to their older generations. The second reason was the older generations (G1)’s lack of understanding of the

changes and some of G2s’ lack of technical knowledge for specific technologies.

In summary, the three misalignments were caused by older generations’ misplaced expectation on higher education, younger generations’ lack of hands-on experience, G1s’ lack of transparency in FB operation, and the younger generations’ lack of persuasion and other soft skills. In addition, with different work ethics between the generations, resistance without explanation from older generations, and lower passions for FBs in the successors negatively influenced the successor’s willingness to inherit their FBs and resulted in the lack of dedications to FBs. The younger generations were unlikely to give own opinions or dared not take risk in front of G1 presence, and this situation was also reported by Mohamad, Lim, Yusof, & Soon (2015).

Types of succession plans

One hundred percent of G1 and G2 agreed that hands-on experience was critical for the successors; therefore, the sooner the better for the successors to begin learning about their own FBs. In addition, this study discovered four types of succession plans generally employed by the Thai FBs.

- Parents providing higher education for their children

The older generations attributed their hard life to lacking of education; therefore, they made investment in education for their FB successors. They selected the best education and social environments for their successors. All of them believed that higher education provided the successors a better future. STEP 2019 Global Family Business Survey reported that 39.00% of millennial FB’s owners had the highest-level education among their family members.

- Internship during holiday

Training in their own FB from an ordinary level of staff to the assistant to the CEO was the most common practice among FB owners. This was the time when the younger generations could learn about processing flow, procurement system, quality control management, and trade secret of their FBs. The successors could use this opportunity to share their new ideas to the company. However, the seniority hierarchy in Thai FBs prevented the youngsters to voice their opinions.

- Being a part of a challenging project

The G3 could assist their FBs to complete new challenging projects. For example, G1 successfully established FB's product in the local market. Then G1 wanted to export the product to other regions or oversea countries. However, the G1 might not be able to communicate comfortably in the national or international level. The expansion project was then given to a G2 who had better business management and communication skills than the G1. Then the G1 and G2 would assign a task to G3 for this project that aligned with G3's "newer and higher" educational level such as data analysis skills to enhance a better operational system for the company.

- New opportunity and business diversification

This research's result agreed with Malik (2019) that G1 mainly focused on the day-to-day businesses. They concentrated on the primary cluster of original business. The younger generations (G2 and/or G3) have had additional opportunities through their own networks from educations and societies and could introduce new opportunities as they utilized technology

more effectively. They also have a broader network than their predecessors with other professionals outside their FB's cluster, and this finding was supported by Kontinen and Ojala (2011) who studied the Finnish family firms operating in the French market.

Conclusion

Most older generation FB owners wanted their family members to inherit their FBs right after their graduation. The elders believed that the successors would be more successful than them due to their acquired higher education and thus be able to leverage a new technology. The elders paid attention to all the details of the products such as trade secrets, cutting cost, and network building. Malik (2019) reported this as "founders self-else discretionary distance from the heir that predicts apprehension about the small family business successions."

Each appointed successor was interviewed to assess his/her readiness to lead his/her FB. Most of the future successors were ready and willing to run the business. However, they felt lacking of confidence due to small amount of experiences compared to their elders. They felt that higher education worth less than actual business experience that their seniors had. Interestingly, none of the business owners or the successors mentioned about going to work in well-established corporations before returning to run their FB. After spending some time learning in prominent firms, the youngster would bring back systematic ways of management to their FB. This kind of internship programs has been well developed in the USA and Europe (Lahm & Heriot, 2013).

In addition to a general education, the successors need to study in a specific subject to turn them into a specialist (Mohamad et al., 2015). For example, Bangkok University's School of Entrepreneurship and Management (BUSEM) has formally and informally provided an entrepreneur education (EE) such as the topic of intention to be an entrepreneur. There were several characteristics in the EE such as attitude, innovativeness, being a team player, risk taker, and being decision maker that helped develop an ordinary successor to be a modernized owner of his/her own FB. The EE developed students with and without family business to be a well-rounded entrepreneur by using a 4-year bachelor's course. This may help the successors to develop soft skills needed to implement changes in their FBs amidst the resistances from older generations. Students could learn directly from experiential lecturers and experts in the corresponding fields (Mentors). Having a 4-year curriculum with designed programs both in and outside the classrooms would increase individual entrepreneurial orientation (Bolton & Lane, 2012). The students would learn from their business success or failure from activities such as pitching competition, retail fair, business exhibition, etc. (Mandel & Noyes, 2016). Linking the classroom to their current FBs may be another route to bridge the gaps found in this study and allowed successors to integrate their learnings smoothly with their family business operation.

Suggestion

To aid the managerial transition between generations in FB, this study suggests the older generations (G1 and G2) to have transparent communication with the successors (G2 or G3)

about their visions of the FB and listen to the ideas of the younger generations. The older generations have to explain their vision with details and reasons. The discussions in the family need to start early (before selecting the higher education direction for younger generations) and regularly. The younger generations have to understand the motives of the elder generation's vision and learn how to express their ideas at the same time. The successors have to develop skills that they are lacking. For example, if the parents do not have any accounting skill, one of the children who wants to be the successor of the business has to study accounting along with the trade secret of the family business. The younger generation has to discuss among siblings (or cousins) to share their individual idea on how to drive the family business further. They share their ideas to create a family business strategy for the future. Overall, the three findings (Passionate first generation (G1), Passion vs. Profit, Misalignments between generations) allow FB owners of all generations to understand the causes of their own apprehensions to prepare better, business-wise and relationship-wise, succession plans for their own FB. Also, these three major findings depict the future research directions. First, in addition to what found in Malik (2019)'s, understanding the coping process of the G1 (founder) and G2 will be necessary to develop effective succession plans. Second, it is recommended to investigate further on the root courses of "Passion vs. Profit" that was found in G2 members to elevate the apprehension they have on G3. Third, further studies on education expectations between generations should be pursued to reduce the misalignments between generations.

Limitation

This study focused only on Thai FBs; therefore, any application of the findings beyond Thai culture will need more validation. The findings are not exhaustive and further investigations are needed.

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