



## **Online-Appendix zu**

# **„When Family Businesses Sell“**

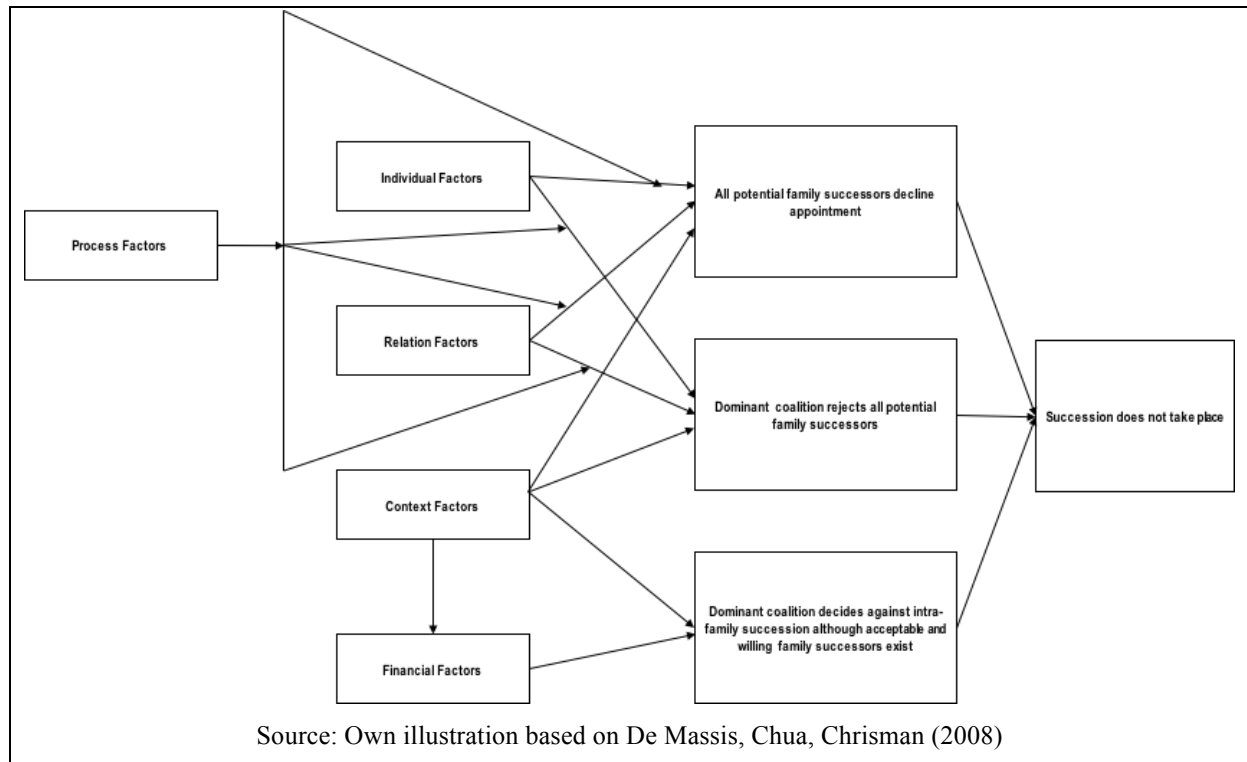
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## 7 Appendix

**Figure 4: Own Illustration of a Model of Factors Preventing Intra-Family Succession Based on De Massis, Chua, Chrisman**



**Table 9: Own Illustration of Factors Preventing Intra-Family Succession Based on De Massis, Chua, Chrisman**

<b>Category</b>	<b>Subcategory</b>	<b>Factor</b>
Individual factors (related to profile and/or motivation of single individuals)	Successor(s)-related factors	<ul style="list-style-type: none"> <li>• Low ability of potential successor(s)</li> <li>• Dissatisfaction/lack of motivation of potential successor(s)</li> <li>• Unexpected loss of potential successor(s) (e.g., death or illness)</li> </ul>
	Incumbent-related factors	<ul style="list-style-type: none"> <li>• Personal sense of attachment of the incumbent with the business</li> <li>• Unexpected, premature loss of the incumbent (e.g., death or illness)</li> <li>• Incumbent's unforeseen remarriage, divorce, or birth of new children</li> </ul>
Relational factors (regarding the relationships with/among family and nonfamily members involved in the family business)	Family members	<ul style="list-style-type: none"> <li>• Conflicts/rivalries/competition in parent-child relationship Conflicts/rivalries/competition among family members (e.g., sibling rivalries)</li> <li>• Perils related to high "consensus sensitiveness" of the family business</li> <li>• Lack of trust in the potential successor(s)</li> <li>• Lack of commitment to the potential successor(s)</li> </ul>
	Nonfamily members	<ul style="list-style-type: none"> <li>• Conflicts between incumbent/potential successor(s) and nonfamily members, and nonacceptance of the potential successor(s) among nonfamily members</li> <li>• Lack of trust in the potential successor(s)</li> <li>• Lack of commitment to the potential successor(s)</li> </ul>
Financial factors (regarding inadequate internal financial resources and excessive		<ul style="list-style-type: none"> <li>• Inability to sustain the tax burden related to succession</li> <li>• Inability to find financial resources to liquidate</li> </ul>

opportunity costs associated with raising external financing)	the possible exit of heir(s)	<ul style="list-style-type: none"> <li>• Inadequate financial resources to absorb the costs of hiring professional managers</li> </ul>
Context factors (associated with changes in the political-economic environment in which the family business operates)	<ul style="list-style-type: none"> <li>• Change in the business performance</li> <li>• Decrease in the scale of the business</li> <li>• Loss of key customers or suppliers/decline of the relationship between the potential successor(s) and customers or suppliers</li> </ul>	
Process factors (related to the absence of good actions or the presence of bad actions)	Establishment of the preparatory activities	<ul style="list-style-type: none"> <li>• Not clearly defining the roles of the incumbent and the potential successor(s)</li> <li>• Not communicating and sharing the decisions related to the succession process with family members and other stakeholders</li> </ul>
	Development of successor(s)	<ul style="list-style-type: none"> <li>• Incorrectly evaluating the gaps between needs and potential successor's abilities</li> <li>• Failing to train potential successor(s)</li> <li>• Late or insufficiently exposing potential successor(s) to the business</li> <li>• Not giving the potential successor(s) sufficient feedback about the succession progress</li> </ul>
	Selection of successor(s)	<ul style="list-style-type: none"> <li>• Not formalizing rational and objective criteria for selection</li> <li>• Not defining the composition of the team in charge of the assessment of potential successor(s)</li> </ul>

Source: Own illustration based on De Massis, Chua, Chrisman (2008)

# Affirmation in lieu of oath

Last Name: .....

First Name: .....

Date of birth: .....

I herewith declare in lieu of oath that I have composed this thesis without any inadmissible help of a third party and without the use of aids other than those listed.

The data and concepts that have been taken directly or indirectly from other sources have been acknowledged and referenced.

This thesis has not been submitted, wholly or substantially, neither in this country nor abroad for another degree or diploma at any university or institute.

I declare in lieu of oath that I have said nothing but the truth to the best of my knowledge and that I have not withheld any information.

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