

# The Dearth of Daughter Successors in Family Businesses: Gendered Norms, Blindness to Possibility, and Invisibility

— Kathyann Kessler Overbeke, Diana Bilimoria, and Sheri Perelli

The matriarch in family business context (usually the founder's/ owner's wife) has been described as the 'Chief Emotional Officer.' However, the role of daughters is often not viewed that highly. The number of daughters who head family businesses continues to be low. The potential of daughters largely remains under-utilized but the literature sheds little light on non-successor daughters. In this study, the authors examine how successor daughters compare with non-successor daughters and successor sons in their understanding of successor roles and outcomes. The authors conducted 21 in-depth interviews with successor daughters (7) and sons (6), and non-successor daughters (8) in family businesses based in the USA. Their objective was to understand the pathways daughters take and the underlying reasons for the succession choice they make.

## Daughters and Family Business Succession

Inclusion of daughters in top management positions is known to improve the survival rate of family businesses. However, few daughters join as family business successors. The authors suggest that this deficit is caused by biased self-assessments that daughters make. These assessments are shaped by traditional gender stereotypes. Further, family related factors like culture, gender composition, power structure mostly favour male family members as successors and daughters are often sidelined. Daughters

are often not perceived to have sufficient capabilities to lead business. Though families with more inclusive attitudes have begun to include daughters in top management positions, families often resort to this when a leadership vacuum emerges.

## Key Findings

The key findings of the study were the following:

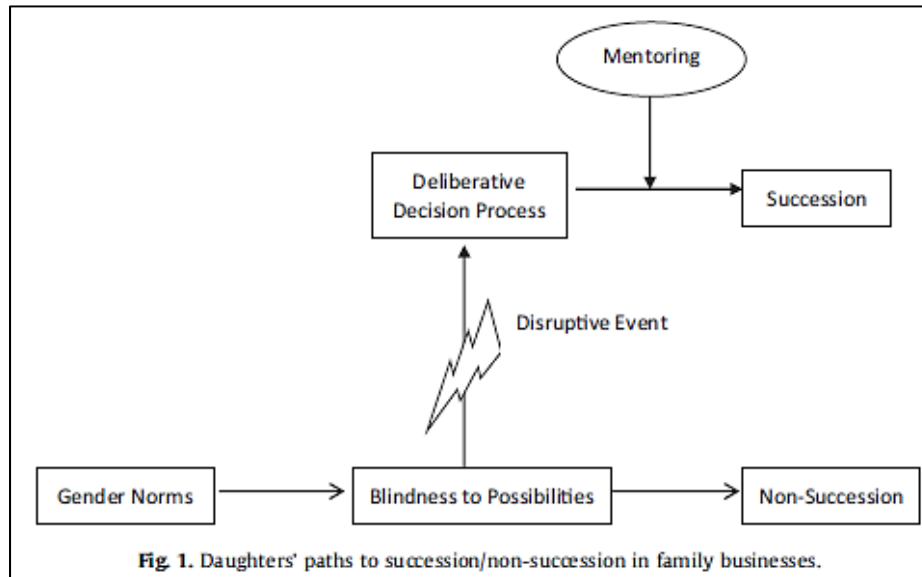
- Daughters' succession-related decisions were found to be automatic and not deliberative.
- Daughters reported to have received messages from family and society, which they perceived to be giving preference to marriage and children over working in family business.
- Daughters' career choices were made in accordance with implied gender stereotypes. They valued marriage as their primary goal.
- In contrast to the sons, daughters' did not evaluate succession objective, and did not have conscious awareness of expectations or possibilities of becoming successors. Moreover, they did not see a role for themselves in the family business.
- However, a critical or disruptive event or a strong external stimulus (like father's death or illness, losing a spouse or job) was found to have triggered an

awakening among daughters who then became aware of the succession possibility. This was followed by a deliberative decision daughters made to join the family business.

- In most cases studied in this research, it was the mother or father who wanted the non-successor daughter to join the

business after a critical event. They mentored the daughters and helped them learn technical skills and build capabilities for effective leadership.

Figure 1 depicts daughters' paths to succession/ non-succession.



### Practical Implications

The study has vital implications for family firm managements. Daughters may contribute to business through several desirable qualities. However, they often suffer from blindness to succession possibilities because they are highly influenced by (mostly implied) gender norms. These norms dissuade them from taking leadership role in business.

However, an awakening may be triggered through external stimuli, which may help them recognize the succession possibility. If they are mentored appropriately, they can build required capabilities and become effective successors. Therefore, family businesses would benefit if they can facilitate an enabling environment for the daughters to emerge as capable successors.

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