Succession is quite significant for a family business. The choice of the ‘right’ successor plays an important role in ensuring smooth transition of family business and its future success. Though extensive research has been done on succession in family business, the desirable qualities of a potential successor are yet to be firmly established. Identifying this as a major research gap, prominent family business researchers James Chrisman, Jess Chua and Pramodita Sharma studied Canadian family businesses to ascertain important desirable attributes of successors in family businesses. In this article, the authors presented their astute findings on successor’s attributes and discussed its managerial implications.

**Desirable Successor Attributes – Literature Review**

The authors conducted an extensive review of literature on family and executive succession in business to identify successor attributes considered important by the researchers. They grouped the desirable successor attributes, into six categories as following –

1. **Relationship with the incumbent** – The authors found that literature emphasized upon the importance of personal relationship between the successor and the incumbent as an important determinant of successful transition. Based on the review, three attributes were identified under this category – *Personal Relationship with CEO; Age of the Successor and Compatibility of goals with that of the CEO.*

2. **Relationships with Other Family Members** – The authors found evidence in family business literature that personal relations among family members and relatives often take precedence over maximum profit. Thus, it is crucial for a potential successor to have the trust and respect of family members. They identified four attributes desirable in successors within this category – *Respect of actively involved family members; Respect of non-involved family members; Trust of family members and Ability to get along with family members.*

3. **Family Standing** – Literature suggested to authors that family hierarchy or order of birth had been extensively followed in transfers of power in family businesses. After careful review of other important issues within this category they included four attributes within this group – *Birth Order; Gender; In Law and Blood Relation.*

4. **Competence** – A business leader has to have competence in running the business. However, it is very difficult to measure directly. The authors found several indirect indicative
measures for assessing competence of a successor and incorporated the relevant ones within this category. These include – Education; Experience in the Family Business; Experience outside the Family Business; Past Performance; Financial Skills; Marketing/Sales Skills; Strategic-Planning Skills; Technical Skills; Decision-making Abilities and Interpersonal Skills.

v. **Personality Traits** – Authors came across a long list of personality traits that literature considered important in a successor. The ones included in this category were – Aggressiveness; Creativity; Independence; Integrity; Intelligence; Self Confidence and Willingness to take risk

vi. **Current Involvement with the Family Business** – Agency theory suggests that owners may make decisions that are more consistent with business effectiveness than those made by non-owners. The extent and quality of the successor’s participation in the company is considered very important. In this category the authors included – Current Ownership Share; Respect of Employees and Commitment to Business.

**Research and its Findings**
The research data was collected from 485 Canadian family firms. The respondents were asked to rate the importance of 30 attributes of a successor on a seven-point Likert scale ranging from 0 (meaning ‘not important’) to 6 (meaning ‘critically important’). Business and personal profiles of respondents were also probed. Statistical analysis of the data revealed some interesting findings about desirable successor attributes. It was found that ‘Integrity’ and ‘Commitment to Business’ were the most important attributes of the successors. Surprisingly ‘Birth Order’ and ‘Gender’ were rated least important. The researchers found that incumbents base their choice of successors more on the successor’s personal qualities than on gender, age or bloodline. The successor’s ‘Experience in the Family Business’ also turned out to be an important attribute. For larger businesses, attributes like successor’s commitment to business, respect for employees, intelligence and creativity turned out to be more important whereas smaller firms assigned more importance to technical skills.

**Managerial Implications**
Successor’s competence is crucial but integrity and commitment to business are paramount qualities that must not be sacrificed for competence. Family businesses of different sizes assign different weights to successor’s attributes. A successor suitable for a family business’ requirements may not be suitable for another family business of some other size. Gender and birth order are not considered very important in selecting a successor.

The research helps potential successors in understanding and working towards attaining the qualities that family firms look for in their future leaders.

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