



Strategies for family business professionalization in the gastronomic field

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Abstract

In a market highly competitive and fast-moving, professionalization has become a sine qua non for the survival of the business. To stand out among thousands of businesses, family firms need to implement processes and add tools that have been applied for a long time in large and multinational corporations. The central idea of this study is to expose the reality of a family company, its strengths and challenges to maintain a healthy relationship between the members and the business, as well as the acceptance of implementation strategies in the succession process. Although sometimes the circumstances may seem difficult, there is always time to change. As regards the methodology, the research was exploratory and the procedure adopted was the case study conducting a qualitative research.

Keywords: Family Succession. Female Management Model. Restaurants and Cafeterias.

Introduction

Family businesses play a representative role promoting the economic development of their countries. According to Brazilian Service to Support Micro and Small Enterprises (SEBRAE, 2015), 90% of companies in Brazil are familiar. Although several and inspiring success stories, a large number of companies do not overcome the common problems they face, and only 30% of them make it to the second generation, and 5% can succeed in the third generation. Among the reasons that justify the early mor-

tality rate of these companies the most frequent are lack of leadership, archaic management and lean structure.

Given the current competitive economy, family businesses are being forced to professionalize their processes, implementing new management models and technologies, in order to monitor large companies or simply survive. The speed of information makes customers increasingly demanding, forcing companies in any area or industry to create processes to satisfy the customer expectation.

The incompatibility of ideas and aspirations are differences that make the working environment and their interaction, troubled. Maintaining harmony when it comes to professional relations among family members, it is a task that demands respect, maturity and discernment. This article presents the results found in the study that investigated the major difficulties faced by family businesses.

It was given a focus on gastronomic branch, which in itself presents a number of challenges. In addition to family management, the daily conflicts of a family company become a provocative challenge to survival. Through a case study, it will be exposed the reality of an active family organization in the culinary industry for 25 years, dissecting its structure and walking through its strengths, challenges and goals.

The study is justified by the importance of recommending alternatives for a better management of the companies with the same characteristics, aiming to perpetuate the success of the business through the generations, keeping healthy working environment and, consequently, production. According to Leach (1993), 24% of family businesses survive after the second generation and only 14% enter the third. The numbers indicated express how vital the professionalization strategies and family succession process are for the continuity of the business. However, they should not be contemplated only in cases of illness, death or chaos. This matter should be considered in fruitful moments and without emotional involvement. Confronting the available references, in addition to the study conducted and experiences, a succession model will be proposed.

Regarding to the methodology for the development research, the characteristic of the study was exploratory. The chosen procedure was the case study, and the problem has been approached in a qualitative way. To gather the information needed to analyze and understand the main problem, which justifies this article, we used the method of action research, since one of the authors is directly involved in the family business, subject of this article, can add her experience to the content of this investigation.

Literature Review

Family Business

The family business is the simplest and oldest of the organizations, which explains such relevance in the context in which it operates. As mentioning Palva et al. (2008) Chrisman et al. (2015), family businesses represent a significant number of joint ventures, generating income, jobs and moving the economy. In Brazil, according to Leone (2005), family firms account for about 48% of GDP and 60% of jobs.

Although Lanzana and Constanzi (1999) and Bary (1975) argue that for a company to be considered familiar, it is enough that one or more family members take the

administrative control over the company and holds a significant portion of the company's capital. Lodi (1993) in contrast says that a company where the founder has no heirs cannot be considered family business. Donnelley (1967) follows the same line of Lodi (1993), stating as family business only company that has been connected to a family for at least two generations. His main foundation is the union of values controlled by opposing forces: "The family" versus "The business world." The perpetuation of the family business, as well as the transition of its control from one generation to the next, depends decisively on the family harmony.

Strengths and competitive advantages of family business

The high rate of family businesses in the world is easily understood when analyzed the advantages that this institution model provides. Counting, without much effort, with a reliable team, dedicated by choice or imposition and who believes in common-goal, it is to be in front of hundreds of projects non-family business, destroyed by startup incubators.

Ward (1998) points out some forces act on the development of the family business over time, such as the nature of the business and the organization, the owner motivation as well as economic expectations and family goals with the project. Lodi (1993) adds that employee loyalty is the most evident in this model of company.

On the other hand, Najjar (2011) states as strengths of a family business the members union in the long term, ethical behavior as the main brand, the pride of shareholders and employees on their success and also business needs above personal interests by partners and family.

On the financial context, family businesses tend to be managed in a more conservative manner, with lower levels of debt, more cash and more concern about costs. All these factors contribute to positive effect in times of crisis. When the economy is bad, organizations managed moderately stand out.

Conflicts and difficulties in a family business

According Carlock and Ward (2001), maintaining family business alive is perhaps one of the toughest jobs on earth. Family-controlled companies are more challenger than the others. The main problem concerns about the establishment of a discipline that governs the family's relationship with the business. When this is not resolved, any disputes and family conflicts can interfere and damage the smooth operation of the company, bringing losses to business results.

Complications involving an interpersonal relationship are a world-debated issue because of its complexity. Talking about the interaction between professionals, which involves differences of thoughts, intelligence and goals, discernment is essential to be well managed. When it comes to interaction between professionals of the same family, with proximity in the relationship, involving emotion, ego, hereditary competition and power games, must prevail words of order such as emotional intelligence, focus, humility and respect.

According to Najjar (2011), maintaining harmony in interpersonal relations is strategic. Depending on the quality of relationships and the degree of harmonious co-

existence among family, heritage is more or less likely to be perpetuated. Invasion of space, paternalism and lack of vision to reach the company's goals can be fatal.

The disappointment caused by authoritarian decisions taken by the patriarch manager or one that has the largest number of shares, may potentiate conflicts of vanities. With family tension, there is weakness in communication, in the exchange of important information and in the project prospecting. In extreme cases, there are reports of crimes arising from these differences.

Families need to understand that working together requires uncomfortable changes, some mistakes and conflicting moments, as points out Carlock and Ward (2001). Awareness of this scenario guides strategic actions in the management of a structure with these characteristics. The main business family task is to keep common goals around the property. The essential challenge of the family business is to remain competitive over time and generations.

Some mistakes in the administration, as the mix of goods and assets of the family with the company, the lack of clear rules on communication and decision-making, become a delay of time and resources. Tillman and Grzybovski (2015) report that the family business becomes part of the family lives, so it is difficult to separate what is family and what is the company capital.

According to Lodi (1993), misuse of company resources by family members, the lack of financial planning system and lack of marketing innovation are classified as weaknesses and disadvantages. In addition, Najjar (2011) states some of the vulnerabilities of the family business, for example: low investment on business results; control as a major focus of the company and long leadership mandates can be harmful.

The search for available scientific information in the literature reveals that most authors highlight obstacles in managing a family business because of the psychological complexity involved. According to Lodi (1993) and Najjar (2011), lack of knowledge and use of best management practices by managers, means a delay for such developments and external update.

Due to the culture of exclusive dedication to the company by the family, prioritize the interests of the same, as pointed out by SEBRAE (2015), it creates an expectation of high loyalty of employees. This can generate a submissive behavior and stifles creativity.

Under current marketing, family businesses compared to the aggressive large companies whose processes are defined with professional strategy and vision, competitive differences are significant. Competing with harassment and differential power of these companies, family companies have difficulty attracting qualified professionals to assist them in accelerated market cycle.

With high persistence and a long way to go to increase their competitiveness and growth in a market increasingly inflexible and troubled, Brazilian family businesses must strategically professionalize themselves. The intention is that the entrepreneur does less, moving away from operational processes, and manages more.

Although, in practice, a business succession without problems is almost a dream, Najjar (2011), makes clear that the succession is a responsible process for the perpetuation of the company as an economically viable business, meaning continuity.

Professionalization and succession as a longevity strategy

Brazil is going through a growing process of globalization since the end of the last century, rapidly approaching the high potential business companies in the world. At the same speed, Brazilian companies have to adapt themselves to the requirements of the new demand, with the changes of its internal processes.

The specialization in business administration has been placed traditionally by authors like Chandler (1962), as a *sine qua non* for expanding companies, mainly for the ones located in large technological complex and intensive in the use of the capital, where their adoption would be essential to coordinate economies on large scale and scope. However, given the increased competition and the fast-growing markets, increasing professionalization becomes necessary for companies of any size.

Tillman and Grzybowski (2015) note that the concept of professionalism is simple. For them, improve and professionalize is connected to the growth and adapted to changes required by the business environment. As Lima et al. (2005), Tillman and Grzybowski (2015) also support the idea that the future prospects of a family business are associated with the need for professional qualification, business growth and the market demands.

Lodi (1993) argues that specializing is a process which a traditional family company takes to learn more consistent management practices, impersonal and less personalized, as the result the company will be integrating contracted management teams among the shareholders administrators. In addition, it is also possible to say that the professionalization process aims, besides create structured sectors, rules, goals and results of controls that the collective interest of the corporation comes ahead of family interests.

Thus, this is the beginning of a great change, which opens the door to the next process called Family succession. When in succession process, the company is changing the culture. The family business is no longer being seen as an inherited institution, but as an organic company, generating profit, being managed by professionals who cannot be part of the family framework.

Najjar (2011) suggests that succession planning is a tool that can contribute decisively to avoid problems for the patrimony and also in case of death of the founder. However, like other authors, he does not mention about the choice of the new successor process because of the emotional level of elements involved in this subject and the informality way that the founders take in this area.

Succession means progression, not death. It is the concern for the longevity of the business, in the ideal scenario; it should be started with the company. However, only 25% of family businesses can move to the 2nd generation, and less than 10% survive to the 3rd generation.

Although promising, the succession process is usually turbulent. As Najjar (2011) conceptualizes in many cases, to the succession of the first man in the company structure, an unfamiliar professional is the best person to manager it as long as the family is prepared for this change. If families understand that the succession is not a personal challenge but a collective task of planning in that the equity must be focused from the perspective of its intrinsic value, its growth and its perpetuation, the imple-

mentation rate of this process in professional family business would increase significantly.

Difference between heirs and successors

Although Lodi (1993) argues that in a family business to succeed is directly linked to hereditary factors, as well as their values are identified with the founder's figure and/or surname of the family, there is controversy. The founder must remember that the heirs are not necessarily members of the future company. The same must be presented to all the brothers with equality so that they decide to join the family business activities, or not.

In most cases, the ability and experience to the management comes up with the monitoring from the heir to the steps of the founder. However, the entrepreneurial vein is not necessarily genetics. The sequence should be an option, not an obligation. Still, if opted for an heir, the concept of succession is born from the need of the founder pave the way for the second generation create an ideology with the company and justify his rise to power.

The challenges of family succession

While it is contemplated as solution of many companies that are between continuing and extinction, family succession is a delicate and challenging step. The turbulence in the succession of a family business is considered one of the greatest fears of entrepreneurs, preventing them to initiating this process.

The succession in family business management has been seen as an organizational change in a complex process that is reflected in different dimensions of the company, according to Motta (2000) and Wood Jr. (2000). As Lodi (1993) and Bernhoeft (1987) commented, this process is permeated by behavioral problems rooted in conflicts between family members.

However, it is important to understand if the succession is, in fact, a common goal among stakeholders. Carlock and Ward (2001) explain that sometimes there are signs proceeding from the family, for example: lack of interest in leadership the business, or circumstances of conflict, showing the propensity to discontinuance of the company. The authors add that if the family does not share the same beliefs about the business and their responsibilities for the challenges, even the conflict in relation to the succession will be unproductive.

The successor is usually chosen, not from promotion criteria based on their efficiency or competence, but based on family kinship. It is not always the best choice to get a successor by blood criteria for the company (Donnelley, 1967).

Commonly, the founder cannot get away from management. The founders of family businesses need to understand that the power is in the Counselor, not in the President. Members can continue to participate with their opinions, assisting in the company's decisions and controlling results, through the board of directors, even when away from the business.

Methodology

To provide more accurate and in-depth analysis from understanding the problem context and offering a broader picture of the situation, the adopted method for this research was the descriptive case study. Therefore the facts and information obtained by this action research were described, recorded, analyzed and interpreted. Moreover, the complexity of this social environment which characterizes a family business justifies the adoption of this methodology.

As mentioned by Yin (2010), the case study is recommended, as it allows the characterization and explanation of the phenomenon in context. In addition, action research is defined by Tripp (2015) as all continued attempt systematically and empirically grounded to improve practice. It is a term that applies to projects in which practitioners seek to effect changes in their own practices.

The methodology used was qualitative exploratory, which enables the exploration of contradictions and paradoxes, some dilemmas faced in the family businesses environment (COLLIS and HUSSEY, 2005). In the exploratory research, once it is well developed, allows us to see reality as it really is, and not only as a researcher believes it to be. In other words, according to Gil (2010), it intends to develop, modify and clarify concepts and judgments for the formulation of future approaches, providing in this way more knowledge for research on the subject.

The Company History

The company chosen for this study is an active family company in gastronomic business for 27 years, which started its activities when the founder, graduated civil engineer, gave up his underpaid stability in the city of Curitiba, to face a society with a colleague profession. The two engineers had a successful launch in commercial area, implementing an innovative cafeteria, which has become a reference in Curitiba quickly. In a short period of time the founder involved the family in the company. His wife and three children (6, 8 and 10 years old) took some responsibilities, operational tasks during his responsibility shift. His wife's brother was hired as the junior manager in the cafeteria. On the contrary of the enterprise success, the company collapsed into crisis by inequality activities and its remuneration.

With the breakdown of society, the family was left with a small 28 m² restaurant located in the food court in the center of the city in Curitiba, and a snack bar 14 m² located in a telephone industry, in the industrial city. Both, result of the corporate division. While the couple runs the restaurant, the founder's brother-in-law took the small cafeteria management. In difficult financial situation, the couple needed the children's help in the business. Furthermore, that was a way to have them around, since they spent all day long in the restaurant. Through the family hard work the company gradually expanded. They bought another cafeteria in a club, adding three in the total. His first big jump was the opening of the fourth eating house, a restaurant (600m²), which was several times awarded and very well recognized in the city.

At this point, the commitment of children to the business had become vital to sustainability. The same prematurely responsibilities gave them experience. To optimize efforts and profitability, the family decided to end the contract with two cafete-

rias, concentrating their activities exclusively in restaurants. Visionary and insistent, although always based on evaluation of risk taking, the family quickly opened the third restaurant, a branch from the previous restaurant. This achievement was only possible due to his brother-in-law reliable work.

The company remained in this context for about five years until one of the children chose to follow the aviator career, not coincidentally the father's hobby, the son's wish was respected. In order to guide professionally and encourage the child's entrepreneurial side, adding the interest in the field of aviation, the businessman began an air taxi company, leaving the restaurants under the management of his wife and two daughters. The entrepreneurs, wife and daughters, took hard control of restaurants and continued the expansion of business. After three years of exclusively feminine and vibrant management, they opened another new restaurant, at this time a Gastronomic Complex.

The son, aviator, did not have an enterprising profile and did not want to lead a company, for this reason he closed the airline company after three years of continuous challenges. While the child got flights by being hired at another company, the family's father returned to the gastronomic branch, which adds extensive experience. That was the new start of the family organization that will serve as the study of this project.

Female Management Model

During the absence of the founder, the family women assumed management of the business, giving the company a sense of community, as claims Grzybovski (2015), by which members of the organization come together and learn to believe and care for each other. This capability gives women a positive point towards the success of the enterprise. They demonstrate this peculiar management style, using different ways to conquer the line between personal and professional life.

Women tend to adopt a more democratic leadership style. They encourage participation, power sharing, information and try to increase the self-esteem of followers. They prefer to lead by inclusion and use their charisma, experience, contacts and interpersonal skills to influence others. These characteristics, although exhausting because of close proximity in the relationships, they are vital to business expansion, when taken into account the immaturity and lack of processes that improve the company development growth.

The woman has taken a role that was exclusively to the masculine universe, such as competitiveness, leadership, ambition, ability to take risks, acceptance of change, having a goal and analytical thinking, independence, and self-confidence. Women represent more than a third of the people involved in formal entrepreneurial activities, and that participation is even greater if informality is also considered. Brazil is the fourth country where women's entrepreneurship is more active.

The search for the professionalization in succession without planning

The entrepreneur output led to spontaneous possession of the second generation. For this temporary succession, mistakenly, rules were not set beforehand. It should be clear what were the functions and roles of the new successors, and equally

planned the possible return of the founder. According to Najjar (2011) it is important that the preparation of the successor and process of transferring management to the second and third generations were planned and achieved based on management techniques.

Companies have had to adapt in order to survive due to the fast development of information and means of communication in the twentieth century. According to Coral (2002), in this highly competitive environment it is necessary to plan the future development of organizations so that they can not only survive, but to be able to grow, preparing themselves to face the new challenges ahead. In the current market scenario, the sisters were hard-pressed to adopt modern strategic management.

The founder, not aiming to reassume the presidency, returned to the company only as a spectator, but expressing certain amount of harsh criticism to the current management decision-making, increasing dramatically the conflict between the two generations. The conflict of opinion about the management model adopted and the time that the founder was away from the company and the job market, made it impossible to him understand the new needs of the business that justified the new approaches. Koelle (2004) comments that this occurs in most of the families businesses with low or medium level of professionalism. In such cases, all the company's strategy appears in an implicit way, that means, unstructured and silently, set by the founder. Also in Koelle view (2004), family businesses are usually more resistant to change, especially as regards to the strategic planning concepts. That happens as result of a number of factors since entrepreneur's profile until a lack of awareness of the importance of changes in the business environment.

Danco and Jonovic (1995) state that as the world changes and the company grows, it usually increases company complexity, reaching a point where the creator does not control or even recognize his creature. While the founder was building the family business over the last 30 or 40 years, the world has changed so fast that he could not understand or follow it. For these reasons, the founders of those companies tend to be successful to a certain stage of development, but from that, even their deep talents, but limited, are no longer sufficient for continued success, at this moment it is necessary more professional management of the company.

Amboni (1997) observes that the founder is usually responsible for the family business crisis; the reason is the centralization of decision-making and personalization. The author indicates the organizational learning as decentralization element and professionalization. The implementation of professional processes requires specific knowledge management, and is given in two ways: hiring outside professional officer or competent performance of family members. Leach (1993) points out that only those qualified members of the family should work for the family business, at least to hold management positions. When, however, it is clear that none of the family members are prepared for these roles, then the company needs to hire professionals from outside the family.

None of the family members studied business or requested assistance from professionals active in the market. In the 80s, this lack of expertise was not so necessary for the business success, but today, with the global market requiring increasingly assertive decisions and successful strategies, such specialization has become a sine qua non for prospecting business.

The specific knowledge of one of the daughters allowed the family to outline the next steps of the company, with the hope of improving the training, organize the families' duties and obligations. According to Lodi (1993), professionalization is the process by which a family or traditional organization assumes more rational administrative practices, modern and less customized; it is the process of integration of contractors and salaried managers together with shareholders directors; it is the adoption of a code of conduct training in a group of workers; it is the replacement by intuitive methods for impersonal and rational methods; It is the replacement of old job hiring forms or patriarchal by salaried and more questionable ways.

The decision to leave the informal administration was good for the company, however, demanding changes and behavioral adaptations of all people involved in the process. However, the changes were not a shared goal of all family members and several conflicts were taken in the implementation of new projects. Bernhoeft (1987) makes clear that the professionalization process in the company should be much broader than the president of the company and its executives, there must be awareness of everyone, including the shareholders. Under the circumstances, besides the management problems in the company the family working environment became more disturbed and exhausting.

Data Analyses

In this study the company reflects the reality of most family institutions that achieve the results from their competitive advantages, as well as living the emotional burden of their weaknesses and conflicts. There twenty-seven years on the market, the family clearly carries with it the strength and dedication, placed for business continuity. On the other hand, this quality does not leave them immune from adversity of the management model, which requires professional strategies to meet the arduous task of survival.

The family life cycle is complex because they involve emotions and long term relationship. When it involves inheritance and power, it is even more delicate. The proverb "rich parents, noble sons, poor grandchildren" illustrates the issue and the appointment of the problems faced by family businesses as its continuity. In addition to managing the business as a company, the family is faced with the pressure of values, rules and personal interests, as well as the conflicts related to differences in thoughts, management and commitment.

According to SEBRAE (2015), a trading company and / or service provider is considered mid-size when it has as staff a number between 50 to 99 employees. The company had 77 employees and disorderly growth, typical evolution of a family business. On the other hand, the problem was the lack of professional management strategies, for that reason the company faces operational problems. Due to growing demand for a lean structure, the requirement of the gastronomic sector and the authoritarian founder's profile, the management model requires strong commitment of both the family members and employees. If on one hand the family business environment is more cozy and intimate for its employees, on the other hand, the lack of professional processes, transparency and continuity of projects stop them to achieve professional growth and consequently prospect a long-term career.

Professionalizing to survive and perpetuate

One of the greatest secrets of longevity of a family business is to be professionalized, acting strategically in the decision making. Porter (1997) argues that business strategy is a coherent sequence of actions, offensive or defensive, well-structured and oriented to promote a good position in the market where it will work as well as overcome the competitors. However, it is extremely important that all involved are willing to face this transition process that, although successful, is a laborious task, tiring and requires a lot of dedication.

The first big decision is whether the professionalization process will occur with internal candidates or with the high qualified talents available in the market. Leach (1993) points out that when the professionalization process from hiring foreign executives is with good separation of family/company, most of the problems disappear or are reduced significantly. Among many advantages found in these processes, there is the fact that the management company would become much more than just a family protection.

While one of the daughters is studying and getting prepared to be able to implement the process of professionalization, it can only be possible to accomplish this task with internal resources of intelligence and cooperation, if the other possible successor and the others involved are in harmony and agreement with the evolution, seeking knowledge and preparation for this challenge. According to Medeiros (2003), commitment is a strong relationship between an identified individual and involved with an organization, and can be characterized by three factors: be willing to exert considerable effort on behalf of the organization, belief and acceptance of the values and goals the organization and a strong desire to remain a member of the organization.

The importance and difficulty of the succession process

The succession process is directly and necessarily linked to the professionalization of family-owned business. Lemos (2003) points out that to solve the succession problems you need to increase the professionalism of managers and employees, have clear objectives and policies. It is essential that the family business has as central point the management, breaking tradition rather than the management be addressed to the family profile.

The succession brings two values that are very important and also ambiguous. While it is seen as an independence management process and it is classified as a family business rescue process, its complexity and competition arising from family stress could mean the end of the company. For this reason, Gallo (2015) points out that succession is a collection of process on which the temptation is to postpone because of the huge difficulty to leave power. It is worth mentioning that part of the success of this process depends on how it is perceived by the family. Resistance to the succession should be seen as natural problems inherent to the process. Ignore the existence of this resistance can be fatal due to the learning experience and overtaking barriers by such conflicts.

Even if the founder is not active in the company he still holds the final words for major decisions. That paternalistic and controller entrepreneur, added to the old-

fashioned management, the permanence of this person would be a very strong barrier to the implementation of the succession process. According Bernhoeft (1987), to take the founders away from the company is a tremendous challenge. The author suggests that they should devote themselves to other projects to make room for new leaders, family or not, enabling the modernization of the business management model.

Gallo (2015) points out that the entrepreneur of a family business usually has the necessary authority and power to be the leader of the first business development stage, "because it is his idea and he knows how to implement it". Challenging appears during the succession transition process: "There are leaders who do not allow the successor to manage until the end of their lives. The author indicates that, as a result, the family members and successors are not prepared for the succession process". Family firms commit misconceptions between the ability to manage and the condition of ownership, violating the rules that provides a successful development to the company, when postponing the succession and confusing management with direction.

For Barnes and Hershon (1976), one of the most painful moments in the family management is the choice of the next administrator. However, it is not the owner's duty or obligation to choose his successor. This choice must be legitimized by the shareholders, consensually. Two daughters occupy important positions on the board of the company, however, although they get very different entrepreneurial characteristics, both are treated with similarity by the founders. It is understood as another major complication for succession.

Floriani and Rodrigues (2000) report that the way the succession is performed, in a smooth generation transition or in a more turbulent environment, has a direct effect on the success of the new administrator. It must be clear who is responsible for the company, as well as if the person is really prepared for this new responsibility. If the succession is not carefully planned among family members, it can influence a good relationship environment and business development.

Gallo (2015) distinguishes power and authority in the family business management process, "Power and authority are two different realities. In a company, an individual may have power, by a power of attorney signed by the owner giving him/her legal rights, without being authoritarian. Whereas, there are others who have authority in the organization due to the recognition of their skills and have no power. The author reveals that sometimes misunderstandings may occur between what is to manage a business and have to make decisions. This makes many people without management experience believe that the main lesson to anyone who comes to management positions are to know how to make decisions in different activities they carry out, forgetting that a leader is more than that.

According Bernhoeft (1987), a big challenging task that happens in the process of succession of the family business is that it discontinues being a work-based society to move to a society which links and relationships will be the capital or patrimony. The author emphasizes that it is important that the partners (heirs) know the family business and understand their roles as shareholders. The family has to be prepared to be entrepreneur.

The family tends to occupy most leadership positions and discourage talented executives from outside the group. That is one of the most complicated taboos in the

family process of succession. To support in this and many other important issues, this research will suggest a succession program.

Strategic plan for family succession

In general, the founders of family businesses dream of business continuity, and their main concern is to make the transition to the next generation without raising conflicts. However, they do not plan the succession as it should be and also do not prepare successors for this to occur naturally (WARD, 1998).

It is very important that young heirs are trained to take roles in the company very early, and the founders should be aware and prepared to leave the company in the future. The succession is a delicate process, before, during and after the achievement. It is not an isolated act but a process that must be worked out consciously and naturally. A succession planning performed safely and consistency increases the company's value.

In order to reduce the suffering that anticipates the implementation, arrange the essential procedures, minimize conflicts, reduce the likelihood of abandonment and maximize results, it has been developed a tactical plan for family succession and suggested that it should be used by family businesses who wish for continuity. It is recommended that a succession plan is thought within a healthy term limit, and not only the last minutes, in case of death or bankruptcy because of the company debts.

Purpose of the proposed plan Professionalize the management

In the literature review it is recommended the improvement of management practice and organizational performance as well as settle acceptable strategic standards of behavior that are shared by the group's member to prevent potential conflicts arising from the power of this transfer period, protecting the capital and consequently the profitability of the institution. It also allows:

- To develop a professional management team that is able to establish business policies aligned with succession plans.
- To reduce conflicts that occurs as a result of family matters, management and ownership.

Succession planning awareness

It is related to the definition of the importance and the identification of the reasons that lead the interest for the planning of the new succession, plus:

- Enables professional meetings between those involved in the planning of the organization, sharing personal and professional issues and allocating them appropriately.
- The succession must be a common aspiration among stakeholders, to continue being the most important one.

- Develop a Shared Future Vision, to fully understand what the family wants and expects from the business, investigating the values that can influence in the creation of the company's policies.

Board of Directors and Family Members

The board of director is beneficial to the family business, as well as it reveals a more professional process and it is an important communication channel for decision making and discussions about the company's policies. All board members participate in important matters related to the company, including:

- Establishing mechanisms to optimize the involvement of all members of the family and the business, as well as clearly define the participation of each in the institution in an equally way.
- Meetings that expose the perception of partners about the business and their possible contradictions, associating the reality of it.
- Requirement of heirs and family to meet the company's mission to understand how important their role is in maintaining and developing the heritage through the generations.
 - Providing direction to the goals in a systematic and planned model, in order to prevent problems encountered during the succession period.
 - Decentralization of power.
 - General Direction of business.
 - Defining the boundaries between the interests of the family and the company.

Prepare potential successors

It is important that children are prepared since they are kids, familiarizing themselves with the business environment through frequent visits.

- To acquire comprehensive knowledge of the operations, it is valuable that this young professional passes through all sectors of the company, having the opportunity to identify their best skills and talent.
- As decided that the heirs are about their involvement in the family business, it is important that they take a few years working in other companies to get professional experience in an unfamiliar environment, which will require them behavior and discipline without privileges, and it will provide confidence and strategic market knowledge.
 - The heirs and possible successors should see the company as a business in which they work for the purpose of making a profit and hence the wage should be negotiated and not be seen only as the "golden goose."
 - It is necessary to develop an effective career plan for family members who will manage the company. These strategies increases the chance of the heirs get involved in the business and later foster the desire to take over the management, facilitating the succession process.

Mapping talents to the choice of the successor

The favorite son would no longer be chosen to be the executive manager, but the one that is better prepared to assume the CEO position. It is vital to assess the entrepreneurial profile and the training they have received to develop a good performance in the company's management functions as successors.

- Talent and training are not genetic factors. That is, the blood relationship should not ensure participation of a family member in the company.
- The successor of the company should face the fact as a voluntary and never obligatory gesture.
- Develop rules and prerequisites for heirs of the next generations join the company.
- Formulate and propose criteria of meritocracy for family members and also demand results.
- If the successor is not interested in assuming the position, a qualified professional should be hired to manage the company. And in the case that the professional take over the management of the family business, instead of the heir, a board of directors is often required because they can offer counsel and participate in the decision-making process of the company.

Planning for Founder-Successor's Transition

The founder of the family business feels like the architect of the project and finds it difficult to accept that the creature have become greater than the creator. The challenge is to adapt the company to the new generation of managers.

- Senior managers have to be prepared to leave the company.
- The board of directors is one of the most important means for the founder to keep in touch with his biggest dream, during and after his retirement from management.

Final Considerations

This study aimed to show the reality of family businesses, offering a comprehensive overview of the topic that can guide other founders of a family business. The authors used the most relevant theories dealing with this topic to support the ideas and adopted a real family business (Company X) as a model in this context to confront the theory. For that, in the first moment, it was conducted a theoretical research for understanding the literature of family businesses.

There is no doubt that a family firm has competitive advantages in relation to a non-family business. On the other hand, the scholars are unanimous in relation to the concern about difficulties that are inevitably encountered along the way of a family business.

One of the main obstacles that have been faced by the entrepreneurial family is adapting their management style to those required in a large business administration, looking ahead for the company longevity. As the Company X has grown predominantly instinctive, some actions and organizational informality should no longer be the main

focus in the company management. However, this model has continued to be the basis of the board directors. Criteria based on planning and control of growth should become part of management activities. That makes necessary to rethink the structure and the way that the company is manage, indicating actions that should be taken and measured (LEACH, 1993).

This comprehension reveals to be consistent in the position of the authors Bernhoeft (1987) and Lodi (1993) who argues that the professionalization, that means, the company's management for professional executives, whether internal or external, is a necessary strategy to continuity and survival of family businesses. It implies, in general, the use of more efficient and modern management methods than those usually adopted by their leaders.

The company that has been researched does not have signs of crisis in the succession process because the founder, until then, has a great influence on business decisions. This subject is clearly understood by the family. However, the management differences between the two generations are constant. It was therefore concluded that to achieve the objectives it will be necessary changes and a fresh look at the administration of the business. This would be important to bring new perspectives and directions, as well as eliminate family business characteristics such as lack of formal dialogues that make the process less democratic, additionally, the authoritarian impositions that sabotage the implementation of ideas to the practice and the resistance to the planning and monitoring of the market.

The family succession constitutes one of the most discussed topics in the family business literature. The process of implementation represents a challenge to the business progress. Furthermore, the subject emerges as a complex matter. That is the explanation for the low rate of success cases recorded, regarding to the implementation of this process. It is also important to observe the implications of succession to the longevity of the company, it is necessary that any succession process is previous designed so that the members of the organizations are prepared in advance, not only for structural changes, but also cultural changes arising from the succession.

It should be noted, finally, that although this study has developed an analysis of the theoretical studies available on the main topic, family business and its applicability, or not, the reality of the studied company, is the main contribution to strategic plan in the succession for businesses that crave continuity and longevity.

It is expected that this study will contribute to other investigations related to the organizational development of family businesses that seek continuity of their business through next-generation family members. The suggestion for future research is to evaluate, in depth, aspects related to corporate governance which is a significant step in the evolution process for these companies.

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