

FACTORS AFFECTING SUCCESSORS' WILLINGNESS
TO ADOPT FAMILY BUSINESSES IN PAKISTAN



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ABSTRACT

The purpose of this paper is to study the effect of Successor's Appropriateness/Preparation Level, Founder & Successor Relationship, Family Orientation, Perceived Behavioral Control, Successor's Personal Need Alignment and Attitude towards Taking over the family business on willing to take over the family business. The relationship between attitude towards taking over the family business and willing to take over is also investigated. Using a cross-sectional survey with the convenience sampling technique and sample size of 250 responses collected from potential successors in Pakistan. The analysis was done through SPSS. The measurement model displays reliability and validity testing, convergent and discriminant validity. The algorithm was run on SPSS which advocates out-of-the-sample predictive validity of the structural model. The hypothesis was tested through bootstrapping. The results indicate that Founder & Successor Relationship are important predictors of attitude towards taking over the family business, while on the other hand, Successor's Appropriateness/Preparation Level appears to have a minor impact on attitude. Attitude emerged as a positive and important predictor of willing to take over. This study will provide valuable insight into Pakistani Family Business Successors by examining the factors that influence the successor's intention toward family businesses. Limitations, implications, and future studies were also discussed at the end of the thesis.

Key Words: *Family Business Firms; Successor's Appropriateness/Preparation Level; Successor's willingness to take over; Founder & Successor Relationship; Theory of Planned Behavior; Successor's Personal Need Alignment.*

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