A Work Project, presented as part of the requirements for the Award of a Masters Degree in Management from the NOVA – School of Business and Economics

The importance of planning succession in family-owned Small and Medium Enterprises in Portugal

APPENDICES

João Carlos dos Santos Subtil

Student Number 1531

A Project carried out on the Human Resources Management- Direct Research, under the Supervision of:

Professor Rita Campos e Cunha

January 2015
1. APPENDIX 1 – Interview Guideline for Owners and Managers

SME owner/manager interview guideline

Hello. My name is João Subtil and I am carrying a work project on Human Resources Management – Direct Research for the Award of a Master’s Degree in Management from NOVA – School of Business and Economics. This project aims at studying the importance of succession planning in family-owned Small and Medium Enterprises. This will be an in-depth interview therefore I will openly listen to anything you have to say regarding the initial question I am about to ask you.

To begin with I would like to ask you some personal data.

**Data:**

**Age:**

Number of Children: Male - Female -

Number of Siblings: Male - Female -

Age at which you started working at the company:

Company Generation:

(0 for the generation that started the company; 1 for the first succession and so on.)

**You started this company and are still managing. Have you given any thoughts on the succession process, so when you decide to retire the continuity of the firm is better prepared? (If generation = 0)**
I would like to start asking you, how were you selected to succeed at the management of the firm by your antecessor and how are you planning succession. (If generation > 0).

Topics

- Which generation of the family is currently responsible for the management/own of the company?

If generation > 0

- How many siblings do you have
  - What are their current roles within the company?
  - If they are not in the company, why not?
  - How was for the antecessor to decide which one of you would succeed in the management of the company? On your opinion there was another person willing to assume that responsibility?

- In the previous succession how did everything happened? Was there any other potential candidate for the position you ended up taking on?

- Can you talk about the main reasons for your antecessor chosing you instead of anyone else?
  - What age have you started working at the company?
  - What was your relation with the company employees? And when you become manager what was their reaction?
o By the time of the anterior succession, what was your academic background?

o What was the reaction of other potential successors when you were selected to assume the management?

If generation > 0

- Regarding the current succession planning, have you given any thoughts on that?

  o If yes, when have you started planning and when do you pretend to retire (Time to plan succession)

  o From your x children (answered initially in the data) how many have you considered to succeed you?

    (only if the respondent has daughters, as asked in the initial data)

    ▪ Have you considered your daughter(s) to succeed or from an initial stage you excluded that possibility?

    ▪ Would a son-in-law be a better option rather than a daughter?

Several writers argue that there is a huge disparity between male and female children considered to succeed in family business (only 5% of the female are considered), and that from an early stage female children are way less integrated in the family business that male ones. Do you think, even without being your intention you might have pushed your daughter(s) away from wanting to assume the management of your company?
• In case you did not feel a relative with the capacity/want to take your place would you consider a long-time employee of the firm or even one that despite not being for too long as a lot of potential?

• What is the criteria that you have in order to choose a successor?
  
  o Years of experience within the company;
  o Having started and latter being promoted within the company;
  o Good relationship with workers of the company;
  o College degree: -Any required academic level in order to be accepted to succeed? In any specific area?
  o Management skills
  o Knowledge of the business area
  o Leadership skills
  o Demonstrations of care for the family business from an early stage

• Have you considered that your successor might not be someone within the family? If so, would you prefer the family to maintain the holding of the company and to hire a professional manager or for the company to be sold out?

• Do you fear that the work done by you, and by your antecessor, might be “ruined” by the successor you end up choosing?

Thank you for your availability to answer this interview, it will be of highly importance for my study.
Hello. My name is João Subtil and I am carrying a work project on Human Resources Management – Direct Research for the Award of a Master’s Degree in Management from NOVA – School of Business and Economics. This project aims at studying the importance of succession planning in family-owned Small and Medium Enterprises. This will be an in-depth interview therefore I will openly listen to anything you have to say regarding the initial question I am about to ask you.

To begin with I would like to ask you some personal data.

Data:

Age:

Number of Children: Male - Female -

Number of Siblings: Male - Female -

Age at which you started working at the company:

Company Generation:

(0 for the generation that started the company; 1 for the first succession and so on.)

Can you describe the process that has happened/is going through in order for you to assume/leave the leadership of the company?
Topics

- Which generation of the family is currently responsible for the management/own of the company?
- How many siblings do you have
  - What are their current roles within the company?
  - If they are not in the company, why not?
  - How was for the antecessor to decide which one of you would succeed in the management of the company? On your opinion there was another person willing to assume that responsibility?
- Current Succession Planning
  - Since when is the succession planning being done?
  - If it is not concluded, when is it expected to be?
- What the criterion for you to have been chosen as successor?
  - Being heir;
  - Years of experience within the company;
  - Having started and latter being promoted within the company;
  - Good relationship with workers of the company;
  - College degree
  - Management skills
  - Knowledge of the business area
- Are you already working at the company?
  - What age have you started?
  - In which area have you started and what were your main responsibilities?
- How is your relation with your co-workers?
Identification with the company

- Do you feel additional responsibility in taking the management of a company that has continued from past generation(s)?
- Do you plan to keep the same managerial style or not?
- Have you started thinking about succession planning? (If the successor is above 50)
- For the future would you like to keep the succession within the family or will you consider professional managers running the company?

Thank you for your availability to answer this interview, it will be of highly importance for my study.