

**SUCCESSION PLANNING AND BUSINESS
SURVIVAL AT CROSSROADS:**

**THE CASE OF FAMILY-CONTROLLED BUSINESSES
IN HARARE, ZIMBABWE**

A

THESIS

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Dedication

The thesis is dedicated to my parents, Christina and the late Mr. Venganayi 'VaSipiki' Maunganidze for their inspiration together with my wife, Omega and children Tatenda, Talent and Takunda for their moral support.

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ABSTRACT

This thesis examines the issue of succession planning and business survival in family controlled businesses which is a topic of growing interest among scholars and policy makers given the increasingly volatile employment climate that prevails in many African settings today. With the use of social constructionist inquiry, it posits that succession planning is not a purely reflective process but occurs in a social context which it is contingent. It further demonstrates how as an intractable social interaction it generates new power and status configurations, multiple identities and meanings to the relationships between actors; primarily business founders or owner managers, successors and other participating family members. The thesis recognizes the multidimensional nature and definitional challenges associated with 'family' and 'business' as both social institutions and instruments of accessing both economic and non economic benefits. The connection between these two and the resultant expectations and experiences from ensuing social interactions render the succession process very unpredictable and conflict ridden. The micro politics of inclusion and exclusion is at play in this thesis. I conclude that the involvement of family members in management of the business and ensuing succession debates following the departure of the founder need reshaping. Family involvement is both a myth and ideology often utilized by both founders and successors to control other family members.

A qualitative analysis is made of the specific cases of twenty family businesses all based in Harare and selected through purposive availability sampling of at least two firms from each of the ten sectors; passenger transport; retail and general dealing, vehicle repair and panel beating, hair dressing, driving schools, bottle store and bars, security firms, hardware, construction and manufacturing. The thesis concludes that the relationship between succession and business survival is a very strong one although not fixed and straight forward. However the thesis used only the continuity rate of the business and persistence of 'familiness' as measures of 'survival' and I propose for further research perhaps by use of longitudinal methods to interrogate more performance related dimensions like productivity and market share.

The findings of this study are consistent with observations made by other scholars on businesses decline over generations but provide an enriched and novel explanation on the contribution of 'intergenerational congruity'. It is however paradoxical that even though owner managers recognized the role played by succession planning in ensuring post succession durability and continuity they still did not put in place such plans. In all its forms and content, succession planning is an outcome of a messy and complicated process that is historically determined and socially constructed. Succession is also a source of both cooperation and conflict and this renders its relationship to business survival a bit paradoxical and substantively at crossroads.

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