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# STRATEGY FOR FAMILY BUSINESS SUCCESSION IN THE SOUTH BOHEMIA REGION

## Strategie pro úspěšné následnictví v rodinných firmách v Jihočeském kraji

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### Annotation

This paper is focused on a specific area of strategic support of the family business units within a context of regional development strategy. It reacts on one of the main issues the family businesses are facing with – handling the process of family business handover (the business succession process). The aim of the paper is to draft the key strategic tasks for the South Bohemia Region authority for facilitating and sustaining the business succession process at the family business units. The research framework covers the main stages of strategic planning cycle. Thus, it provides an understandable and comprehensive guideline for regional authority how to enhance the business succession process by a set of strategic tasks. The tasks are classified into the following four priority areas: (I) Information Gathering & Monitoring, (II) Planning & Implementation, (III) Cooperation & Coordination, (IV) Support & Facilitation.

### Key words

family business units, business succession process, strategy, strategic tasks, South Bohemia Region

### Anotace

Tento příspěvek se věnuje specifické oblasti strategické podpory rodinných firem v kontextu tvorby regionální strategie ekonomického rozvoje. Reaguje na jeden z hlavních problémů, kterým rodinné firmy čelí, a to úspěšné zvládnutí procesu následnictví. Cílem příspěvku je navrhnout klíčové strategické úkoly pro vedení Jihočeského kraje (krajský úřad), které jsou zaměřené na usnadnění a podporu procesu následnictví v rodinných firmách. Postup výzkumu odpovídá hlavním fázím strategického plánovacího cyklu. Tím vytváří srozumitelný a zároveň komplexní návod pro regionální autoritu jak podpořit proces následnictví díky sadě strategických úkolů. Ty jsou rozčleněny do těchto čtyř prioritních oblastí: (1) Sběr informací a monitoring, (2) Plánování a implementace, (3) Spolupráce a koordinace, (4) Podpora a facilitace.

### Klíčová slova

rodinné firmy, proces následnictví, strategie, strategické úkoly, Jihočeský kraj

**JEL classification:** R38, R58

## 1. Introduction

Family-owned businesses make up 85 % of all private entrepreneurs in European countries, generating up to 50 % of European GDP, and providing more than 60 million jobs in the private sector (European Family Businesses, 2021). Association of Small and Medium-Sized Enterprises and Crafts of the Czech Republic considers family-owned business to be the fundamental base of a stable economy, as family businesses are the largest source of jobs in the private sector, have a great ability to survive difficult periods, can adapt quickly to changes in economic and social environment, and are characterized by a higher equity ratio. This fundamentally promotes economic stability and plays a key role in regional development. These companies show a high degree of honesty, introduce measures in the field of social responsibility, are the bearers of original products and show a higher degree of responsibility towards those who founded the company and successors (Ministry of Industry and Trade of the Czech Republic, 2021). Petřů et al. (2016) note, family-owned business differs from other types of business by a unique combination of family and business environment which plays an important role in the running of the company. Their unique business culture usually brings them to strong commitment to family members, employees and local community. Thus, family business units are considered as the backbone of private industry and a key target for policies aimed at increased employment, economic and regional growth (Anderson et al., 2018). This is why they have received rising attention from the side of public authorities.

One of the most important issue the family business units are facing with is a transgenerational ownership transfer, i.e. the business succession process. This issue has been gaining rising attention both from scholars and policy-makers (e.g. Skokic et al., 2015; Machová & Taušl Procházková, 2017; Ferrari, 2019; Poeschl & Freiling, 2020). The business succession can be understood as a process of transfer of management power through and in parallel with transfer of ownership from one business generation to another (Hering & Olbricht, 2003). Poza and Daugherty (2020) define the succession process as a subordination of all the processes in which the ownership of the company is located and the related management power relinquishes the economic entity producing on whether to transfer the active among the family members. Although there is no universal definition, it is clear that the succession process goes through several stages which are described by many business succession models such as American River Bank Succession Planning Roadmap, St. Gallen Consulting Succession Planning Model, Rothwell Succession Star Model, or Witten Phase Model for Succession (Odak, 2016). The models consist of various simplified steps resulting to successful family-business handover from one generation to another.

Many of the Czech family-owned business were founded just after the collapse of the communist regime in 1989. However, the topic of succession has been discussed since 2015 when the generation of founders is approaching a retirement age. Although each business is unique and influenced by various factors such as industry, business strategy, relationships and roles of family members, future intentions and values, a structured approach to succession planning is more than desired. This is the only way how to handle the business succession and prepare family-owned firms to a change in business leadership (Deloitte Czech Republic, 2014; Poeschl & Freiling, 2020).

The paper covers the outputs of the INTERREG project: CENTRAL EUROPE, ENTER-transfer: Advancement of the Economic and Social Innovation through the Creation of the Environment Enabling Business Succession (CE1158). The aim of the paper is to draft the key strategic tasks for the South Bohemia Region authority (government) for an enhancement of the business succession process (BSP) at the family business units (FBUs). The paper introduces the basic research framework linking the regional authorities and the FBUs operating in the South Bohemia Region. The first research stage is aimed at mapping the BSP. The next stage analyzes regional public authorities' involvement in supporting activities and assess how business owners are satisfied with their performance. Finally, the paper defines the strategic objectives which decomposes into the strategic tasks. In addition, the paper mentions some good practices from other regions involved into the INTERREG project which can be used as an inspiration in meeting the strategic tasks.

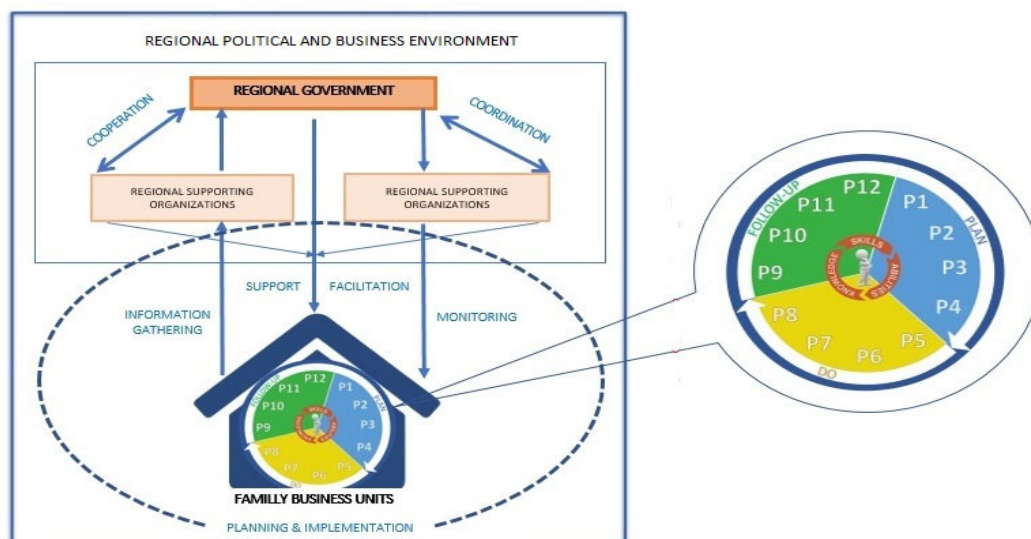
## 2. Aim and Methodology

The research aim of the paper is to draft an understandable and comprehensive guideline for the South Bohemia regional authority how to enhance the business succession process at the family business units. This aim can be decomposed into a set of research questions:

- What are the main steps of the business succession process?
- What are the main resources (skills & abilities) needed for handling the business succession process?
- What are the main supporting activities of the regional authorities aimed at family business units?
- What are the quality links between the FBUs' needs and supporting activities of the regional authorities?
- How to conceptualize and realize the enhancement of the business succession process?

The research steps cover the main stages of strategic planning cycle (e.g. David, 2009): (1) perform an analysis, (2) identify strengths and weaknesses, (3) formulate goals and objectives, (4) formulate a strategic plan with a limited number of tasks, (5) execute the plan (tasks). Scheme 1 includes a simplified graphic representation of the research framework.

### Scheme 1: Research Framework



Source: own elaboration

The first research stage is aimed at mapping the BSP. It uses a purpose-built scheme of the Family Business Succession Clock (FBSC). The FBSC divides the BSP into 12 phases in 3 quadrants which follows the Deming Cycle: Plan – Do – Follow-up. The BSP phases are derived from the following general business succession models: St. Gallen Consulting Succession Planning Model (Halter, Schröder, 2010); Rothwell Succession Star Model (Rothwell, 2010); Witten Phase Model for Succession (Groth et al., 2012), EMF Institute Succession Model (EMF Institut, 2017).

The FBSC also incorporates the business owner's specific management skills & abilities needed for handling the BSP. The resources were identified and analyzed during the survey in a form of in-depth interviews covering owners from 10 small-size and middle-size family business units which dominate in the South Bohemia Region. The respondents evaluate the resources utility on seven-points scale: 1 = extremely useless, ..., 7 = extremely useful.

The next analysis is aimed at the following regional authorities in the South Bohemia Region which can be considered as the subjects of the regional political and business environment directly influencing the FBUs and the business succession process:

- regional government: Regional Authority of the South Bohemian Region;
- regional supporting organizations: CzechInvest: South Bohemia Region Office (RSO1); South Bohemian Chamber of Commerce (RSO2); South Bohemian Science and Technology Park (RSO3).

The interview with senior managers of the South Bohemia government maps how intensively the regional government pays attention to the family business units when forming general economic environment in the region. The following survey with managers of regional supporting organizations is focused on support of specific management skills & abilities which were identified as useful for the BSP. The respondents ranked the activities on five-points scale which indicates how they perceive a level of satisfaction of the clients, i.e. family-business owners: 1 = the lowest level of satisfaction, ..., 5 = the highest level of satisfaction.

The next stage summarizes the results of the interviews to a form of an analytic overview which points to significant opportunities for improvement in supporting effort of the regional authorities. The overview serves as the main information base for stipulation of the strategic objectives and resulting strategic tasks. The paper also points to good practices from other regions involved into the INTERREG project which can facilitate the execution (implementation) of the strategic tasks in the South Bohemia Region.

### 3. Results and Discussion

The following table summarizes the outputs of the first research stage aiming at the family business units in which the business succession process is realized. It is based on the scheme of FBSC and has characteristic of the process-based analysis and the resource-based analysis. The process-based analysis elaborates 12 phases of the FBSC into detail. The resource-based analysis examines business owner's management skills & abilities needed for handling the business succession process.

**Tab. 1: Business Succession Process Phases**

Phase Description		Phase Result
<b>PLANNING PHASE</b>		
P1	Setting main expectation and goals	Clear evidence about preferable state of the BSP
P2	Business analysis & communication	Assessment of the internal environment readiness for the BSP
P3	Stakeholder analysis & communication	Assessment of the external environment readiness for the BSP
P4	Identification of the business succession gap	Identification of the gap between preferable state and the environment readiness
<b>REALIZATION PHASE</b>		
P5	Setting successor's preferable profile	Identification of successor's profile needed for closing the business succession gap
P6	Successor selection	Identification of promising successor capable of closing the business succession gap
P7	Successor training	Improvement of successor profile to be vital in closing the business succession gap
P8	Successor implementation	Change in business leadership from the business owner to the successor
<b>CLOSING PHASE</b>		
P9	Legal ensuring of the BSP	Set of legal instruments fixing a change in business leadership
P10	Setting a new role for successor	Setting of new relations between the owner and the successor within the BSP
P11	Successor counseling	Consultation oriented towards an improvement in adaptation process
P12	Stakeholders counseling	Consultation oriented towards an improvement in adaptation process

Source: own elaboration

The first step of the planning phase lies in setting main expectation and goals of the business owner. He/she should take into consideration his/her own motivation to his/her business handover, and set the expected results of the BSP. After that, the set of clear goals related to the BSP has to follow. It is the only way how the business owner can get a clear picture about preferable state of the BSP. He/she should briefly analyze a readiness of the internal and external environment for the BSP after this opening stage. He/she must confront his/her goals and expectations with business reality of his/her business and expectations of its stakeholders. The vital part of this stage lies in communication with all stakeholders. They must have solid and up-to-date information about the BSP and have a chance to express their point of view. The last step consists of identification of the business succession gap. This term can be understood as the gap between business owner's preferable state (P1) and the business environment readiness for a change in business leadership (P2 and P3).

The core of the realization phase is an implementation of the successor in a way which leads to closing the business succession gap. The business owner has to think about successor's preferable profile. He/she defines a set of criteria for selection of the most promising successor capable of closing the business succession gap. This rather demanding approach should minimize some future conflicts between new owner and various stakeholders, and maximize success of the family-business handover. The next step is focused on successor training. The training process must be aimed at improvement of successor profile. The business owner should help the successor in adaptation process and develop all successor's characteristics which were the key for his/her selection. This stage is a period of time when the business owner is slowly leaving the business and the successor is taking over it. The final successor implementation in the business is the last step of the realization phase.

In spite of the fact that the successor has already run the business, the BSP should not end in this time. It is quite important to fix the process of a change in business leadership. The formal way how to fix the process is its legal ensuring. It not only crowns the family-business handover by law, it prevents some possible conflicts between the business owner and the successor in future. These conflicts can be prevented by proper setting of a new role for the business owner too. This informal way of fixing the business succession process creates new relations between the owner and the successor for future. It is important to clearly set their relationship and define some framework or boundaries to prevent an influence peddling from owner's side. The last two steps are focused on owner's counseling towards the successor and business stakeholders. The extent of counseling activities depends on the

previous step, i.e. owner's new role. Nevertheless, there is a high chance that some informal consultations oriented towards the adaptation process significantly smooth the path for the successor.

The following table contains the management skills & abilities which business owners identified to be useful for all the phases of the BSP (the utility scale range: 1 = extremely useless, ..., 7 = extremely useful).

**Tab. 2: Management Skills & Abilities for the BSP**

PLANNING PHASE		REALIZATION PHASE		CLOSING PHASE	
Management skills & abilities	Average value	Management skills & abilities	Average value	Management skills & abilities	Average value
Communication & negotiation	6.25	Motivation	5.50	Communication & negotiation	6.50
Analyzing	5.75	Communication & negotiation	5.00	Awareness of applicable laws	5.00
Forecasting	4.50	Organizing	4.50	Organizing	4.25
Logical thinking	3.75	Decision-making	4.00	Empathy	3.50
Critical thinking	3.00	Critical thinking	3.50	Self-discipline	3.25
Diplomacy	2.75	Empathy	2.75	Delivering effective feedback	3.00
Goal orientation	2.00	Self-discipline	2.25	Mentoring	2.50

Source: own elaboration

We can distinguish two categories of key abilities needed for the planning phase: (a) communication & negotiation skills (soft skills), (b) analyzing & forecasting (hard skills). This combination fits the planning phase purpose which should help the business owner to prepare the business succession process and unfreeze a change in business leadership. Communication & negotiation skills are vital for communication with all internal and external stakeholders. However, the majority of the process requires rather hard skills consisting of analyzing the current situation and predicting the nearest future. Two more hard skills, such as logical and critical thinking, are also considered to be useful in this phase. The business owner should use these skills when thinking about his/her goals and expectations, and also in time of identification of the business succession gap.

The abilities and skills needed for realization phase can be sorted into soft skills and hard skills categories too. Soft skills – motivation, communication, negotiation – play the main role. The respondents consider these skills useful mainly during the training process and the process of successor implementation. These processes require intensive communication between the business owner and the successor on daily basis. Hard skills – organizing and decision-making – are vital for this phase as well. The owner uses his/her organization skills during the whole phase with more emphasis on the process of successor implementation. Moreover, the phases of setting successor's preferable profile and subsequent successor selection require owner's solid ability for decision-making.

Communication & negotiation skills dominate the closing phase. The respondents see their importance in the phases of successor and stakeholders counseling. They stress a need of intensive in-depth communication during these phases. Awareness of applicable law is a special skill of the closing phase. The respondents find this skill useful when making legal ensuring of the BSP. The organizational skills can be considered as the key skill too. The respondents stress a need of this skill during the phase of organizing new relations between the owner and the successor. Many of them consider this task as the most demanding BSP phase.

The next analysis is aimed at the regional authorities in the South Bohemia Region. Table 3 summarizes results of the survey with representatives of the regional government.

The results indicate that government knowledge about the FBUs' number, size and field of their business activity, as well as its awareness of the main FBUs' problems are just limited. The government is aware of the absence of any legal framework for family businesses or for family business succession which is considered to be a main issue for the FBUs. The issues of the FBUs are covered by the regional development strategy only in very limited way as a part of a general support of the regional business environment. Unfortunately, there is neither specific development strategy fully devoted to FBUs nor some department / organization responsible for the development of the FBUs in the South Bohemia Region. Despite the above mentioned facts, the regional government realizes some supporting activities through the web portal "Business support" which serves as one of the main communication tools at the same time. The next communication channels consist of mail or face-to-face communication and official websites of the regional government.

The last survey round is aimed at representatives of three regional supporting organizations (RSO1 – RSO3). The primary aim of the survey is to map what kind of support oriented to development of management skills & abilities the organizations provide to family-business owners during the business succession process. The secondary aim is to assess a level of satisfaction of the family-business owners with the particular supporting activity. Table 4



summarizes the results of the survey (the quality scale range: 1 = the lowest level of satisfaction, ..., 5 = the highest level of satisfaction; NU = not used).

**Tab. 3: Activities of the Regional Government**

Do you know how many family business units operate in your region? Do you have any information about their size and field of their business activity?	
No	The government has no information about regional FBUs. However, the information is gathered by government's agency – the South Bohemian Science and Technology Park.
Do you know what are the main problems the family business units are facing with? Could you name some examples of the most significant problems?	
Partially	The main problems: absence of any legal framework for family businesses or for family business succession
Are the specific issues of the family-owned business incorporated in the strategy of (economic) development of your region?	
No	The Regional Development Program of the South Bohemia Region just mentions a general need to support family businesses.
Do you have any specific (formal) strategy for development of the family-owned business in your region? If so, could you name it?	
No	There is no specific strategy for the development of family businesses in the region. There is only a special section for family entrepreneurship on the regional portal "Podpora podnikání".
Is there any department / organization / unit which is responsible for implementation of the strategy for development of the family-owned business in your region?	
No	Development of the business environment in the region is generally handled by the Regional Development Department. It cooperates with government's organization (JVTP) and other thematic organizations in the region.
Do you (regularly) realize any activities / projects aimed at support of the family-owned business?	
Yes	Activities: administration of the web portal "Podpora podnikání", participation in regional family business conference
Do you (regularly) offer your supporting activities (projects) to family business owners? How do you communicate your supporting activities?	
Yes	Communication: direct communication through JVTP, communication with other organizations in the region, websites of the regional government, web portal "Podpora podnikání", participation in conferences, seminars

Source: own elaboration

The issue of family-business handover is quite well reflected by the supporting organizations. The results show that their activities cover almost all the key management skills & abilities which have been identified as useful for the business succession process. The various educational events and consulting activities represent the most popular tools for supporting the FBUs in developing the management skills & abilities. The other supporting activities are provided as well. However, their frequency is dependent on the supporting organization's scope. The supporting organizations also provide rather general supporting activities above the scope of management skills & abilities development such as special purpose meetings, workshops focused on sharing good practices, analysis, reports and studies carried out on family businesses etc.

The average quality scale oscillates between 5 points and 2,5 points. The lowest level of satisfaction can be found in the case of the consulting activities and in providing continuous information support. Low scores are clearly visible in promoting the decision-making and organization skills.

Reflecting the above-mentioned analytic overview, the paper drafts the set of four strategic objectives which decomposes into the strategic tasks in four priority areas. The paper also mentions some good practices from other INTERREG project regions, such as the Dubrovnik-Neretva Region, the Linz-Wels Region, the Mazowieckie Region, and the Presov Region, which can inspire the regional authority in implementation of the strategic tasks. Thus, it provides a guideline for regional authority how to enhance the business succession process.

**Tab. 4: Activities of the Regional Supporting Organizations**

Supporting Activities / Respondents	RSO1	RSO2	RSO3	Average value
<b>1. Do you promote legal knowledge of business owners related to the BSP?</b>				
By our own educational events	5.0	5.0	5.0	5.0
By ensuring the offer of educational events of other entities	5.0	5.0	5.0	5.0
By our own consulting activities	NU	4.0	3.0	3.5
By ensuring the consulting activities of other entities	NU	4.0	4.0	4.0
By providing continuous information support	4.0	4.0	3.0	3.7
<b>2. Do you promote communication skills of business owners related to the BSP?</b>				
By our own educational events	5.0	4.0	5.0	4.7
By ensuring the offer of educational events of other entities	4.0	4.0	5.0	4.3
By our own consulting activities	NU	3.0	3.0	3.0
By ensuring the consulting activities of other entities	NU	4.0	4.0	4.0
By providing continuous information support	NU	3.0	3.0	3.0
<b>3. Do you promote motivation skills of business owner related to the BSP?</b>				
By our own educational events	5.0	4.0	5.0	4.7
By ensuring the offer of educational events of other entities	4.0	4.0	5.0	4.3
By our own consulting activities	NU	4.0	3.0	3.5
By ensuring the consulting activities of other entities	NU	4.0	4.0	4.0
By providing continuous information support	NU	3.0	3.0	3.0
<b>4. Do you promote analytical skills of business owners related to the BSP?</b>				
By our own educational events	4.0	4.0	5.0	4.3
By ensuring the offer of educational events of other entities	3.0	4.0	5.0	4.0
By our own consulting activities	NU	4.0	3.0	3.5
By ensuring the consulting activities of other entities	NU	4.0	4.0	4.0
By providing continuous information support	NU	3.0	3.0	3.0
<b>5. Do you promote organization skills of business owners related to the BSP?</b>				
By our own educational events	3.0	3.0	5.0	3.7
By ensuring the offer of educational events of other entities	3.0	3.0	4.0	3.3
By our own consulting activities	NU	2.0	3.0	2.5
By ensuring the consulting activities of other entities	NU	4.0	4.0	4.0
By providing continuous information support	NU	4.0	3.0	3.5
<b>6. Do you promote decision-making skills of business owners related to the BSP?</b>				
By our own educational events	3.0	3.0	5.0	3.7
By ensuring the offer of educational events of other entities	3.0	3.0	5.0	3.7
By our own consulting activities	NU	2.0	3.0	2.5
By ensuring the consulting activities of other entities	NU	3.0	4.0	3.5
By providing continuous information support	NU	3.0	3.0	3.0

Source: own elaboration

**Table 5: Strategic Objectives and Tasks**

Objective 1	Monitor the FBUs' activities
Priority Area	Information Gathering & Monitoring
Tasks	Develop a platform for effective information sharing between the regional government and the FBUs
	Motivate the FBUs for sharing information about their BSP intentions and specific business-related issues
	Build an information database enabling to search up-to-date information about the FBUs in a region anytime
	Analyze information from the FBUs and monitor their course in cooperation with the RSOs
Good Practices	1. Information sharing website (Dubrovnik-Neretva Region) The website of the Centar za poduzetništvo enables providing the FBUs relevant information and information gathering from the FBUs at the same time. Thus, the website is a tool for sharing information between the FBUs and regional supporting organization and for creating an up-to-date information database.
	2. Information database (Dubrovnik-Neretva Region) Information database includes up-to-date information about FBUs and enables to sort the information when searching. The database is updated on regular basis based on information obtained through personal contact with the FBUs.
	3. Interviews with the representatives of the FBUs (Linz-Wels Region) Interviews with the representatives of the FBUs are strong motivation for the FBUs for sharing information. The interviews enable to obtain "real-life" information about the FBUs issues and gather some examples or good practices about business transfer process. Moreover, they enable to monitor FBUs activities on regular basis.
Objective 2	Develop a plan aimed at overcoming the main issues of the FBUs

Priority Area	Planning & Implementation
Tasks	Involve the RSOs and FBUs to elaboration of the plan for FBUs development with respect to the <u>principles of participatory planning</u>
	Elaborate the plan devoted to FBUs development and support as an integral part of a regional development strategy
	Integrate the issues related to business succession process into the plan
	Establish any unit or appoint any employee which / who will be responsible for activities connected with implementation of the plan
Good Practices	<p>1. The FBUs support as a part of the City Development Plan (Mazowiecke Region) The Radom City Development Plan provides an in-depth analysis of local economic conditions. The analysis creates a solid basis for targeted support of local business units, the vast majority of which are family-owned businesses.</p> <p>2. Existence of the strategy for SMEs and FBUs support &amp; development (Linz-Wels Region) The chamber of commerce follows The Strategy for SMEs and family businesses Upper Austria 2030 which aims at supporting the SMEs and the family-owned businesses throughout their business life cycle.</p>
Objective 3	Support and facilitate the FBUs in the business succession process
Priority Area	Support & Facilitation
Tasks	Define a set of high-specific supporting / facilitating activities based on the plan for FBUs development and support
	Pay enough attention to quality development of various supporting activities aimed at BSP management skills & abilities
	Create a “menu” of the supporting activities in an understandable form, and try to minimize the bureaucratic burden related to their using
	Communicate the supporting / facilitating activities both with the RSOs and FBUs by various communication tools and give them a chance to participate in their realization or using
Good Practices	<p>1. Friendly business environment of Random City (Mazowiecke Region) Radom is a city with positive investment climate. High level of entrepreneurship of Random inhabitants together with friendly policy of the City Hall, as well as well-developed business environment institutions, make Radom a place where the number of micro, small and medium enterprises is steadily increasing.</p> <p>2. Travel expenses reduction (Presov Region) The representatives of the family-owned business can attend various conferences, seminars, trade shows and other events while their travel expenses (transportation, accommodation), and participation fee are fully or partially covered by the Slovak Business Agency.</p>
Objective 4	Provide coordination of the supporting / facilitating activities
Priority Area	Cooperation & Coordination
Tasks	Establish any unit or appoint any employee which / who will be responsible for coordination of the supporting / facilitating activities and developing cooperation between regional government and the RSOs
	Develop a platform for an effective information flow between the RSOs, the regional government and the FBUs
	Cooperate with the RSOs in developing the business environment in a way that helps the FBUs to overcome their main issues and handle the BSP at the same time
	Pay enough attention to RSOs activities and needs, and support them in return for building a mutual trust
Good Practices	<p>1. Joint projects (Dubrovnik-Neretva Region) The Centar has long-standing cooperation history with the regional supporting organizations in terms of mutual support and implementation of joint projects. In such a way the Centar cooperates with the RSOs in developing a business environment in a way that helps FBUs to overcome their major issues while addressing BSP. Thus, in collaboration with the RSOs, it receives timely information relevant to the current situation and business succession process.</p> <p>2. Cooperation skills training (Mazowiecke Region) In the vast majority of offices people are appointed to cooperate and support entrepreneurs. Their superiors willingly send them to the courses that are necessary to improve their skills and develop their knowledge on cooperation and coordination of activities with entrepreneurs.</p> <p>3. Existence of departments responsible for RSOs support &amp; coordination activities (Mazowiecke Region) The local government supports the Radom Chamber of Industry and Commerce through departments dedicated to entrepreneurs: (1) The Office for the Radom Economic Zone and (2) The Office of Economic Activity and Permits. Having such departments help to promote entrepreneurship, solve entrepreneurs' problems, collect necessary data and information about entrepreneurs, and support training opportunities.</p>

Source: own elaboration



## 4. Conclusion

The paper reacts on rising importance of family-owned business for regional economic growth. It deals with specific issue of business succession which has been serious matter of interest for Czech family businesses since 2015. The paper follows the structured approach to succession planning on the basis of strategic planning cycle. It goes through all main strategic planning phases and results to comprehensive set of strategic tasks extended of good practices from abroad.

The tasks indicate the following challenges for the South Bohemia regional authority in its effort to support the FBUs activities and enhance the business succession process:

1. Develop an effective and productive online information sharing platform between the regional government and the RSOs / FBUs, and connected information database collecting up-to-date data about the FBUs in the region.
2. Gather and analyze information from the FBUs in cooperation with the RSOs on a regular basis.
3. Strengthen the strategic approach to the FBUs development by drawing up a plan devoted to the FBUs development and support as a part of a regional development strategy.
4. Utilize the principles of participatory planning when drawing up the plan devoted to the FBUs development.
5. Improve the assistance to the FBUs by establishing some entity responsible for coordination of the supporting activities and developing cooperation between the regional government and the RSOs.
6. Make the RSOs support more intense following their needs and issues, communicate with the RSOs and the FBUs intensively, and thus help the FBUs to overcome their main issues more effectively.
7. Increase the amount of the supporting activities which precisely react on the FBUs needs and issues, and which cause a minimum bureaucratic burden for the FBUs at the same time.
8. Enrich the variety of the supporting activities for the FBUs with the high-quality educational events aimed at development of BSP management skills & abilities.

Even though the paper does not fully deal with an implementation of the strategic tasks, it strongly recommends the regional authority to incorporate at least their core (main idea) into a regional development strategy for period 2021-2027, or into any other related plan.

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