

Master Course Module 4 – Transition Issues (IO5)

Psychology of transmission of power, engineering of the process of
Transition

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Team members:

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Learning outcomes of the module (revised):

LO 1: Students will be able to examine the development of the family business and its steps towards its first succession and subsequent transitions in order to understand the critical managerial and organisational factors of transition from an SME into a family business.

LO2: Students will be able to understand the needs for transition planning and recognise the respective role of education, external or internal support needs in this context.

LO 3: Students will be able to realise the risks of unplanned succession in order to mitigate the negative outcomes of such an event and prepare for the future.

LO4: Students will be able to identify main issues connected with transferring power, as well as interpersonal communication and conflict handling in family business to understand how they affect and could impede the transition process

LO 5: Students will be able to recognize the relations between primary cultural programming and family business organizational cultures in order to understand how to secure the sustainable growth of family companies

INTRODUCTION to the module – Roma (3-5 pp)

SECTION ONE - “Managerial” (circa 60 pp)

Units 1 & 2¹ - Stratis +/-23 pp

Units 3, 4 & 5 - Andrea +/- 37 pp

Introduction to the section - Stratis

Unit 1. From birth to transition (Stratis)

- Establishment of a business
- Growth
- How it becomes a family business

Unit 2. Planning for succession (Stratis)

- Reasons of transition
- Timing
- Involvement of family member or non-family members
- Plans: long, short

Unit 3. Unplanned succession (Andrea)

- issue of successor from outside of the family: threats, opport.
- Sale
- Mergers
- Close down

Unit 4. Importance of education (Andrea)

- internal: management and organisational skills, learning by doing
- external: courses, basic knowledge

Unit 5. External support: consultant, mentor, coach (Andrea)

¹ Each unit contains: text, cases descriptions, glossary (up to 10-12 items per unit), reflection questions.

SECTION TWO - “Psychological” (circa 45 -47pages)

Introduction to the section – (Roma)

Unit 6. Working in family context during the transition period - challenges of ownership and dilemma how to build it to last over generations (Roma)

- FB actors’ personality types
- Trust as basis for family cohesion – socio-emotional wealth
- Women in FB during transition
- Marriage and introduction of new family members
- Communication in FB (various patterns of communication: high vs. low context, verbal vs. non-verbal communication, information transfer, formal vs. informal communication systems) communication networks and chains

Unit 7. Major threats to orderly transition process: (Roma)

- Informality,
- paternalism that maintains control,
- family feuds,
- rivalry
- bereavement,
- illness of the principal or siblings,
- divorce,
- fear of losing one’s identity and social standing,
- cross family interests,
- resilience to changes,
- genderism
- ageism

Unit 8. Conflict management during the FB transition period: (Roma)

- conflict types:
- conflict analysis,
- conflict styles
- conflict resolution.

SECTION THREE - “Cultural” (circa 40 pp)

Unit 9 – Stratis (+/- 15 pp)

Units 10 & 11 – Dobrusia (+/- 25 pp)

Introduction to the section (Dobrusia)

Unit 9. Organisational Culture in the process of transition. (Stratis)

- Approaches to identification of company cultures,
- Challenges of transferring or changing company culture within the transition process

Unit 10. The role of culture in fb sustainable growth and transition (Dobrusia)

- The power of common legacy
- Culture as a constraint to transition processes
- Family values vs company values in the context of transition
- Cultural diversity in family entrepreneurship
- Family business culture and transition economies

Unit 11. Family Business In A Cross-Cultural Perspective (Dobrusia)

- The impact of national culture on entrepreneurship (time and space perception, traditions, religion, stereotypes, hasty judgments, status perception, etc.)
- International/intercultural context - culture dimensions as practical diagnostic tools for recognizing family/company values (Models by Hofstede/Trompenaars/Lewis).

 <p>FAME Family Business Sustainability and Growth</p>	<div data-bbox="790 414 1364 548">  <p>Erasmus+</p> </div> <p>This project has been funded with support from the European Commission.</p> <p><i>The European Commission support for the production of this publication does not constitute endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.</i></p>
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