

Intergenerational Succession in SMEs Transition
INSIST

CASE STUDY

FEIN WINERY

Final version



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Erasmus+

Remark: The name of the company and personal data of the owners and the employees have been changed at their request.

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I. The history and development of a family-owned winery¹

I.1. The short history of the family winery

FEIN Winery Ltd.
Founded: 2003
Founders: Thomas Fein, Sofia Steiner
Mrs. Fein
The successor: Karl Fein
Nr. of staff: 6
Business areas: grape wine production
1. Text: The basic data of the company

The Fein winemaker family has Swabian roots which formed their family identity. The development of the family winery was started by Peter Fein (b 1930) who was the FEIN Winery's founder manager, Thomas Fein's father. Peter Fein was farmers cooperative-president in the sixties. Peter Fein's elder son is Peter (b 1955) who is architect technician and the younger son is the founder manager,

Thomas. Peter Jr. has own company (Constructor transporter and Commercial Ltd.). He delivers the construction of cellars, farms, farm buildings and created his first cellar for his brother, Thomas. The founder manager, Thomas's mother is Maria Müller (b 1934) whose father, Tobias (b 1905) was an honoured winemaker.

The founder manager, Thomas and his wife, Sofia (b 1961) have two sons, the elder one is Karl (b 1987), the successor and the younger one is Michael (b 1990). The founder manager, Thomas and Sofia found commercial and service limited partnership in 1990 at the time of transition and they have started to reorganize the family estate. At the foundation of the company Sofia had been on maternity leave with her two children and Peter Sr. became retired and passive. The founder manager, Thomas wanted to give occupation to Peter, thus he financed the operation of the family vineyards and Peter managed it. In this period the founder manager worked as economist, vintner, corporate leader, bank account manager. The Fein couple decided to develop the wine cellar and press house in 1998. They bought 11 Ha field and their estate was broaden to 21 Ha in

¹ The appellation of the family winery is equivalent to the family estate and family vineyard.

2002. The Fein Winery was officially founded as Limited Liability Company in 2003. The estate got its present formation in 2005. In the moment of migration to the family estate, there were family key events. Karl, the successor continued his studies in Germany, Michael graduated from high school. They had been living in family estate for two years, but at present, the two brothers have separate houses in the region (See *Appendix: 1. Illustration*).

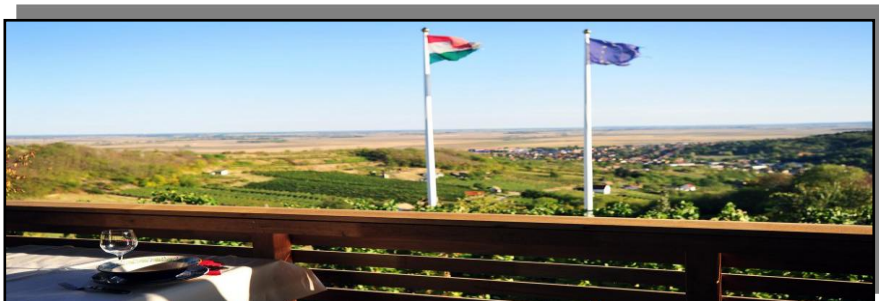
I.2. The division of the labour in the family

In the daily operation of the family estate the family members cooperate. The founder manager is responsible for strategy and investments, plantings, holding wine tastings. Sofia is responsible for the winemaking, the harvest, the administration. The successor completed his winemaking education in Germany, France and Italy. He gradually takes the control over viticulture and winemaking responsibilities. His younger brother, Michael is studying medicine in Germany (See in *Appendix the characteristics of the interviewees*).

I.3. Growth strategy: Quality instead of quantity- Branding

The Fein family produces traditional, quality wines. The territory of the vineyard is 21 Ha. The production results an average of 130 000 bottles per year. The produced wines from red grape varieties are merlot (5 Ha), cabernet franc (4 Ha), blue franc (4 Ha), kadarka (2,8 Ha) and syrah (1,2 Ha). They have viognier (1,1 Ha), pinot noir (0,6 Ha), sagrantino (0,5 Ha), tannat (0,5 Ha), portugieser (0,3 Ha).

The Fein Winery's distribution channels are a wine company² and an own sales channel. They operate ten shops in Budapest and five ones in other cities. Their own sales channel organizes wine tastings, dinners and an annual



1. Picture: The panorama of Fein Winery.

² With a number of award-winning wine store chain operates in Budapest and in other five towns for over 20 years.

celebration. The final retail prices are between 1800 and 7000 HUF per bottle. The majority of the wines is related to the top class category.

„Regarding Fein Winery’s own sales channels, the most important factor is the personal network. This determines both the export, wine tastings and wine dinners. In the former case sales is only realized through personal contacts. Fein has no aspiration to reach a definite proportion of revenues coming from export, however Fein wines could be found in famous restaurants across Europe like the three Michelin star restaurant Fat Duck in London. The international market presence serves as a benchmark of quality. The wine tastings and dinners are held in the region and their realized sales revenue through this channel accounts for the quarter of total revenue. Direct orders are built on personal recommendations therefore reputation and quality has a high importance”.

The current conscious and systematic strategy of the winery puts emphasis on international quality and brand building³ with a strong focus on the promotion of their wine region and top class wines. „The target is to get a strong position in the total quality wine segment and to raise awareness and popularity in the above segment of Hungarian consumers.”. They come forward in producing quality wines by active experimentation (blending of wines, for example cuvée) and capital load-shedding⁴. The part of their innovative strategy is the naturalization of non-Hungarian specific grape varieties (shiraz, tannat). The part of the business strategy is also to hold the company as family winery which is defined by family's motto:

„Our life is the wine”

In their family scale their customers are retailers. „The size of our wine cellar fits to it. The family business form is suitable to the annual corp, which is based on their labour. Under our direct control we can see over the process from the beginning to the end. My son also agrees to it, he would not like to significantly increase the size of the winery. We want to pay attention to our Bull's Blood and our Estate wine is also such an excellent one, which

³ Enhancing a brand's equity directly through advertising campaigns and indirectly through promotions such as cause championing or event sponsorship

⁴ The quality wine making is impossible without limiting the quantity.

can represents values of our wine cellars. In recent years, the delivery of these wines is well defined, but we want to develop them. We strive to our red wines not to be too tannic by gentle and mild skin bleaching⁵. During the maturation it is our goal that the beauty of wine derived from grapes can be conserved and the flavour of the barrel tree remains in the background. We need always new barrels, but primarily in the large barrels we mellow wines. Thus, the fruity smell and taste of our wines are mastered, easily drinkable wines can be filled into the glasses. The wine taste develops to this direction and we have to continue the development in the vineyard in the future. We need permanent employees and I rely on my son's work.”- said Sofia in an article of a book published last year.

In 2008 their unique top red wine, Barbar was born based on a notion that for the respect of the foundation of the wine cellar the family needed an outstanding product. They exerted to create something special and sophisticated. In this period there was evaluating production in merlot and cabernet franc vineyard. Barbar is a wine made from cabernet franc (30 %), merlot (40 %), tannat (20 %), blue franc (10 %). Tannat gives the uniqueness, stem strength, friendliness to the character of the wine. The blue franc borrows hussar-form for Barbar. According to the successor kadarka and blue franc have the biggest potential for creation and challenge. They can get more out of it contrary to what others believe about it. He considers kadarka exciting game with which they can experiment and this activity is very inspiring.

The name of the wine, Barbar carries the tension of contradiction, which is derived from Bela Bartok⁶'s piano work, Allegro Barbaro⁷ (1911). The word, barbaro means strong, fast, barbaric in musical sense. It expresses a nostalgia for a golden age with a Hungarian poet, László Nagy's quote: „This world was flicked out” on the wine



2. Picture: The first label of the top wine

⁵ The tannic acid can be dissolved by the method of skin bleaching.

⁶ He was Hungarian composer, pianist, ethnomusicologist, the Central European folk music collector, teacher at the Academy of Music. He was one of the most important composers of the 20th century.

⁷ It was Bartok's own art parody and made by folk inspiration.

label. The label also flashes eroded relics of a vanished world with faded edges, worn letters, fragments of mosaic symbols and message about a valuable and sophisticated past. The vintage of 2006 and 2007 was winner in foreign competition. The Fein family has organized celebrity for the respect of the vintage of their top wine and they would like it to become a tradition. They celebrated it with folk music concert, sleight of hand and piano artist in the last year. The celebrity is analogy to the characteristic of the wine, because there are magic and ceremony in the wine. (Source: Fein Winery's webpage)

I.4. Local commitment (corporate social responsibility) to create high-quality wine cluster

The founder manager, Thomas left the parental home to pursue studies at the age of 14. The period of his studies was significant experience to build out independence and community life.

The founder manager, Thomas has begun to establish their social net and take responsibility for their local community after founding the family company. According to his wife, Sofia, the founder manager is doing his best to integrate himself into the region and to gain trust from the members of the region.

In various wine related organizations the founder manager plays centre role. His activities in the wine industry and in “wine politics” as a founder and member of several initiatives aiming to boost Hungarian winemaking are important. In one of his initiatives he takes a leading role in the brand strengthening strategy of the wine region through the development of a high quality wine cluster. The clustering aims to improve their market position in terms of legislation issues, professional aspects and cooperation. An excellent example of this initiative is the so-called Etalon, blending of four winemakers' wines from the region.

The founder manager is the Chairman of the Region Appellation. He is also a founding member of Pannon Wine Wrought Guild and Vindependent. Sofia is a founding member of Pannonia Woman Wine Order. The successor is a member of Junibor Association of Young Winemakers. In the Junibor Association the successor has organized trips to different wine regions and he would like to approach young people. All of them are active members of the Region Winemakers' Guild, which gathers the winemakers in the region. The founder manager was named for the International Wine Expert of the Year, an award

that honoured his efforts for his community. The Duke of Baden praised the founder manager:

„ Thomas Fein sets an example in values, which are the most relevant criteria of the European winery: the combination of tradition and modernity, entrepreneurial courage, commitment to personal and wine region credibility, family cooperation involving more generations.”

He was also nominated for the Hungarian Winemaker of the Year award.

„Fein Winery is interested in export. Their main objective is not to increase their sales volume, but their international reputation and recognition. Winemakers would like to measure their performance comparing to international standards. However the competition is quite tough from several aspects. Personal contacts are key in these exclusive foreign sales. It is an open question that to what extent it is worth to use the successor's international connection network to raise the amount of export”.

II. Succession: complex and time-consuming process

II.1. Ownership and division of the managerial tasks

Sofia and Thomas Fein founded the family micro-enterprise. Since 2003 they are the owners and managers of the family winery. The name of company is derived from the founder manager's family name. The successor has been working at the family winery since 2006. Their employees working in the vineyards and the cellar have been committed to the family for over 10 years. Matthias Berger is viticulturist colleague. He is responsible for the coordination and supervision of vineyard works. Albert Schmidt is responsible for works in the cellar and operating machinery. Victor Hartman is tractor operator, Joseph Hartman is a cellar assistant. Following the strategy goals the number of employees and the structure of the organisation are changing.

In Fein Winery there is the ownership and management transfer in the agenda. The succession of the ownership can be done by the founders. This case study shows what kind of characteristics has the succession of the family winery in an early stage when the

owners and managers of the firm are the founders and they would like to gradually transfer the managerial tasks to the successor. They plan the successor will get the two-third ownership and his brother will get the remaining. The aim of present case study is understanding of manager and ownership transfer.

II.2. Crucial role of combining the family and business values for the Successor

The Fein couple devoted attention to reduce conflicts among siblings and family members and it can make succession process easy.

The brothers studied in different schools in other educational spirit. The younger son is more autonomous while the successor son has an opened mind, which means that he is willing to accept advice, hard work as a successor. Both parents have role in selecting values to the successor son. The value transmission led to developing attitudes and behaviour.

The Feins have value system like respect for family tradition, positive perception of human relations, ethical orientation, feeling of family. The founder manager would like to support his son and emphasize the importance of performance. He is the strategist founder type.

„As economist I got linguistic knowledge, I travelled the world. I had it more as trader, manager, initiator and victim of changes. In the long run I can think with strong strategic perspective about the economy like usually the winemakers do.” the founder manager

As the successor has strong relation with his parents, he has consistent family values and he has attachment to his father. The quality of the relationship between the founder manager and successor plays crucial role in the succession. Beside strong emotional ties, cognitive learning is also basis for identification with the family. The founder manager introduces the successor into the social-organisational environment. The founder manager encourages the successor to set up his own international businesses (future value), while he wants the successor to see the family winery as a means for the family survival and to require advice from his parents.

The intergenerational cooperation and different expectations are the source of competitive advantage and creativity. „The founder manager, the wife and the successor are all individuality and they fully trust each other. The family members' strategic target is common. They have professional discussion, explicit arguments in professional, strategic issues, for example when they experiment with the blending of wines. These are time-consuming process. They establish their own culture of debate. They can be cooperatively, openly involved in conflicts, which has functional role. As the founder manager has excellent strategic skill, he can enforce his own aspects taught the successor and transferred consciously this ability to him. He can legitimize the successor's proposal. They can see the planning, delivery, development of the way leading to this target differently due to age, experiences, strength, qualification.” -told the family's friend about the succession planning.

„We are together greater than the sum of our parts.”

II.2.1. The Founder Manager: Long road to be the Founder Manager in the Family Winery

Peter Fein Sr. suppressed the first born son, Peter. He has high expectations toward his son. The son, Peter Jr. handled the paternal authority hardly. Peter Jr. chose existential way related to wine, but he is not involved in running the family winery. He has artistic and creative affinity like his brother, but he has not sales and catering skills, which is necessary in management of family winery. Peter Jr. does not have daily contact with the family.

The retired Peter Fein did not felt necessary to broaden 0,7 Ha field of the family winery or to launch a business and to buy additional vineyards after farmers cooperative-presidency. Thomas provided financial support and investment to the building of the family estate. The retired Peter Sr. managed the family winery estate and considered initially it hobby, tradition, secondary source of income.

The founder manager, Thomas struggled for independence in his young years. He wanted the honour for his own efforts. He wanted to step on his own way, for instance he studied English, playing the piano. As a high school student the founder manager had colleagues of doctors, lawyers' sons. It was inspiring to him. He was always popular person. He liked

math and history. The history still is hobby for the founder manager. He continued his studies at economic university in Budapest. During university years the Rajk College of Faculties led by Attila Chikan (b 1944)⁸ was a great influence on him. The founder manager had ambivalent feeling towards his father. In his young age he worked in farmers cooperative in every summer and wanted to be the following farmers cooperative-president. At the same time he had fights with his father, he could not identify with his father's social insensitivity. While the founder manager worked in Budapest, he continuously worked in vineyards at weekend, later he supported the family estate with money. After his work in Budapest his career path was halted, but the family was supportive. Then he moved to the parental home and he had been working as region director for five years.

He loves the family estate and leads it with positive worldview followed the maternal pattern. „The foundation and operation of the family winery is the highest self-realization game for him” (by his friend). He referred to his social and public activities as space for creation and chance for reorganizing this wine region. He has strong attachment to the Hungarian homeland. He takes account of involving the successor in his social activities. The family estate means to him attitude to rebuilding the past, family pattern, creation of value, commitment to high quality product. The founder manager did not mention disadvantages of working in the family company. They did not experience major crisis or power battle within the family. The main issue is the selection of the successor's wife.

„The most important benefits of running the family winery are the self-realization motivation, the stable financial background and the establishment of these items to his son. It is worth the effort despite of time-consuming experimental works, arguments and necessary to be prepared to unexpected situation. They do not perceive the winery burden. These are voluntary roles.” (by the friend)

⁸ He is a Hungarian economist, professor, corresponding member of the Hungarian Academy of Sciences. His research fields are enterprise economy, the competitiveness of companies and the logistics. In 1970, he was the founding director of the Rajk College. He was Minister of Economy of Hungary in 1998-1999.

„He is dynamic, excellent organiser, prominent communicator, sociable, cooperative, innovative, risk-taking and well-timer. He always seeks mutual benefits, so win-win situation in relationship.” the friend about the founder manager

The founder manager, Thomas plans to work beside the successor and he would like the successor to tackle for partnership. He does not want patriarchal relation. The company is characterised by matriarchal leadership and the nature of creativity, creation. For the founder manager there is not exit from this family estate and he would like to do it as long as he can.

II.2.2. Careful preparation of the Successor

Sofia and Thomas devote attention their two sons not to rivalise with each other. Their younger son, Michael is more independent person, he did not look for parents' company. Michael is also proud of the Fein wines and he makes them popular in his company.

The first son, Karl always preferred his parents' presence, he is interested in winemaking and has ambition to train himself in this profession. According to Sofia the successor was not under pressure to join and take over the family estate. The successor studied in country and Budapest, as child he had not to make physical works in the vineyards, but at weekend they visited the estate. Before career choice Sofia expressed to the successor the benefits of working in the family estate.

II.3. The importance of the Family

II.3.1. Key role of the Wife in running Family Winery

The founder manager's main supporter is the wife, Sofia. Sofia graduated the university in Budapest where she got acquainted with Thomas. Her family has also winery which is cultivated by her father. Sofia worked in textile foreign trade before joining the family winery.

In Sofia's opinion the founder manager, Thomas is dominant and optimistic person, full of ideas, initiative, guider, motivator. In the family estate he gently set the battle line for

family members. Before the transition there were not formal entrepreneurial experiences in their family thus Sofia's mother-in-law could not make administration. The first step was to set up the family estate as a business with Sofia's help. The second step was to becoming winemaker, for which she obtained winemaker technologist qualification. In addition to educational knowledge she enjoyed other winemakers' advices. She also deals with tasks of wine tourism, supply and hospitality. These practical works fit to Sofia's realist personality and she enjoys that the consumers send continuously to her their feedback.

The wine production teaches Sofia modesty. She has already learned that she does not have to influence the development of the wines at all costs, but she lets them grow, then they have to observe and understand the process. „The wine is living and nascent substance, which has the own development path.“. As a woman, she has cautious attitude for the wine production and this characteristic is beneficial in this profession. As winemaker, she shares her attention and runs many tasks at the same time. It comes from the housewife, mother's role.

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„It is a fact that the winery is very masculine profession, because from November to March you must spend substantial part of the time in the cold cellar. Sometimes this world is hard, but you can get used to it... I have a feeling that my male colleagues accept fully me. The men are more generous; while I am more precise...I consider the best the diversity of the work. The harvest is the most exciting; we can hardly wait what kind of crop will be born. The end of the year is about the sales of the wines, when we experience the value of our whole annual work. In the winter we compile our wines and we have rest and calm. We spend the spring in the vineyard and during the harvest we devote attention to the development of the crop. Every month is different and it is its beauty.“ (by the wife, Sofia)

Based on Sofia's view the most important advantage of the family company is economical issue in the long term. Beside difficulties they can trust each other. She has a lot of pleasure, security, loving atmosphere to live in the company. She feels less threats toward dismissal, she does not become lax, she can use time effectively and decide,

⁹ The interview with Sofia can be read in a book published in 2014.

communicate rapid. Sofia noted some disadvantages of the family estate: present world progresses towards sovereignty and the young family members had to work together with their parents. Sofia wants the successor to take over administration in gradual pace. It was beneficial to the successor not to perform physical labor in the vineyard from early ages and the parents strived to show him the beauty of this profession, thus at the end of the secondary school the successor's commitment became mature to this profession. After the managerial/ownership transfer Sofia would like to supervise the financial matters, but she will find other building activities. Her hobbies are gardening, cooking, singing.

II.4. The commitment of next generation

II.4.1. Motivation for independence

At the successor's career choice he decided beside the winemaker profession, but at that moment the Fein family did not live from the income of family vineyards. He had not been preparing for this role since childhood and he always felt the protective, supportive, loving family atmosphere so he was not forced to be winemaker.

This choice is affective commitment. It was individual decision to choose the family winery for the successor, at the same time his father shifted him to this direction with small delicacies from early age. The founder manager's aim was to show the successor the nature and beauty of this profession, winemaker. The successor's first explicit expression as regards to choose winemaker profession happened in his blog at the age of 16. At the age of 17 it was a significant experience for his commitment, when the Fein family had trips in Tokaj. It was also relevant in his childhood when the family's friend and winemaker in Eger regularly gave advice to the family in connection with estate construction.

II.4.2. Tension between loyalty and exit from the Family Winery

Before joining the family winery the successor had an idea of the alternative career possibility. He could imagine himself as designer in California at Apple, but the family winery also means motivation to him. He has long-term perspectives and he could satisfy

his own interest. He can be designer in the firm which leads to the development of identity, responsibility, achievement.

II.4.3. The Successor: Long road in building renewed managerial role

„We have been preparing our own products signed with the name of Fein”. It is one of the main domain in the successor's commitment. They can identify themselves with their own products, and for the successor it is a responsibility, but good feeling. Secondly, it is a diverse, colourful profession with physical part (processing, agricultural), aesthetic part (grape processing), assortment (marketing, customer service relation). He

The successor's jobs

1. 2010: Germany, trainee
2. 2008: Rheingau, Germany, trainee
3. 2008: Sopron, Hungary, trainee
4. 2007: Eger, Hungary, trainee
5. 2007: Pannonhalma, Hungary, trainee
6. 2006: South Tyrol, Italy, harvest trainee
7. 2006- : Fein Winery, Hungary, winemaker

2. Text: *The successor's jobs.*

would like to play a greater role and develop in the grape production and winemaking. In the successor's view his father's role is the most dominant- a strategist role- in founding the family estate with the first act, that his father took his mother into position. The successor thinks that he has to be thankful to his father to be involved in the family firm. His brother is on a different, sovereign path of life career. There was a hard period when he did not feel sovereignty, because he kept close contact with his parents and they talked about professional issues. At present he has been developing his own independence. He bought a flat near the family estate and he has started to build up his connections abroad. He has obtained cosmopolitan worldview. He has many friends from other countries and he got acquainted with other Hungarian winemaker abroad. He can integrate international experiences in the family estate in accordance with market requirements. He would like to form more natural wine style, organic husbanding, deep wines. In the family estate there are reconstructions and he plays a role in the change. He worked for changing the image, improving local sales, decision-making. The decision-

making usually happens at family dinners, because they live in the wine and for the wine. The successor has a say in decisions, especially in winery and strategy themes. He can validate his standpoint and does it what he has thought. Firstly, he thinks through the amount of energy, financial investment, the substance and the process of goal achievement.

He can mediate the firm's message in fresh professional terminus with elegance. The successor's online presence means his own blog, where he can share his professional experiences and the beauty of the winemaking works through photos and videos. He completed detailed estate system map with the application of Google map on the webpage of the family winery, which is unique among the Hungarian winemakers. In the distance, he could most effectively contribute to the family winery.

He will participate in social life of the region and will learn business leadership, economics beside the mother, Sofia. He has already learnt management on professional trip and regularly consultancy with his parents.

There were specific cases in the successor's independent decision-making. He chose an excellence gift cardboard then he did deal with the designer and they carried out. The successor's innovation projects were the organisation of kadarka tour in Iván-völgy, design of the new brochure, new wine, the Vizsgapezsgő (trial champagne).

During developing the family winery's new image, the successor put off plans and the family listened the others' opinion. The old image had more traditional characteristic and reference to the disappearing golden age. It meant the founder manager's fidelity to family tradition. Into the logo of the new image the successor could get modernity, freshness, tension however the father selected the citation for its image. They can explicitly handle the differences. Both generations could identify with new image. They complement each other. The new citation „Real cornerstone is put down by rare” (Széchenyi, 1828-1829) ¹⁰on the main decanter represents the aim of the company, the thinking of Hungarian wine culture and implicates the creation of national value. The founder manager works for getting the Hungarian winemakers into the forefront and the successor has ambition towards international recognition. The successor learnt social skills, sense of community, assertiveness, communication from his father and sacrifice,

¹⁰ The quote is derived from Credit authored by István Széchenyi (1791-1860), one of the first representatives of the Hungarian economic literature.

will, control, efficiency from his mother. Considering the future plans he would like his potential children to continue the family company.

He plans to take over the leadership after ten years. He plans to buy his brother's ownership. During studies in Germany he had a lecture about generational transfer and he could discuss it with his parents. He has been living the generational change as an organic process, which develops dynamically matched to the strategy. As his parents get older, the successor will have a more active role, but he does not have experience as a manager yet. The founder manager can manage the transfer process. He will involve the successor in the organisational project of the wine region. The successor would not like to dissipate, because a project has indefinite accountability and less sense of achievement. The successor does not want to deviate from the main tasks. Later if he will take over the company, he would like to employ a reliable secretary. The leadership and ownership would remain in family hands. His possible future plans will target the diversification of activities. He would like to discover new products, establish attachment to the gastronomy of different nations, to be opened for communication to foreign markets.

II.4.4. Knowledge transfer between generations: formal and informal skill development

The succession in the family company is considered a process of knowledge and social capital transfer. The successor, Karl, has been continuously learning from his parents and academic training abroad. He obtains up-to-date knowledge. He has an MBA degree and professional relationships which will influence the leadership style and he plans in the future he will look for opportunities of HR trainings.

It is important that „all family members can access to the family winery“. They live it as a challenge and joy of creation. The founder manager plans to continue actively to contribute to the business, but he does not want to stay in the leading at all costs. The successor has been continuously developing. He has to struggle to consider him as an equal partner. According to the founder manager the successor has an excellent relation with his parents. The founder manager has strived to establish partnership and friendship with the successor. The successor is aware of it that the founder manager would be glad if the family company would survive and if his son would manage the family winery.

III. Conclusions and lessons

The case study clearly shed light on the development of a family company and preparation of the potential transition from first to second generation. The succession can play a pivotal role in the survival of the family business. It makes a strong case of adapting the good practices in the intergenerational transfer. We discussed organisational, family and individual behaviour (leadership, communication, motivation, interpersonal and group behaviour, power and policy, conflict, culture, continuity).

We can apply succession models of family company to accommodate the sets of empirical data collected by in-depth descriptive records and to provide a framework for Fein Winery case study. In the life stage model we can analyze how the parent generation and child generation affect the succession of leadership authority. The founder manager has key role in the preparation of the successor and the self-reorganisation in the succession process. The founder manager considers the succession process mutual cooperation and at the same time he is leader, the purpose of the company reflects his special need.

As the successor, the member of the second generation has not experienced challenges that faced his parents, he may not have the perspective required to make good decisions. Into the seven stages succession model we can place the case to the 4th stage:

- Stage: before the entrance: the successor perceived the existence of the company through his parents' relationship, in their friend company the wine tasting seemed impressive and elegant.
- Stage: initial entrance: the successor started to get in contact the family winery after beginning his winemaking studies.
- Stage: initial exertion of the function: the successor entered the company for part time job in 2006.
- Stage: the exertion of the function: after graduating studies the successor works in processing.

The 5-7. stage (exertion of important function: internal management position, initial stage of succession: manager position, formal succession: leader) will take place in the future.

This succession process is considered successful. This family business can survive, because the family has intrinsic motivation. The family and business interests meet. The

family's main purpose is the continuity and sustainability. The achievements of the generations have been accumulated. They have long-term, value-based, strategic thinking. The family is integrated into their local region which is retention force and it preserves the family's reputation. On the other hand it can give an explanation for the founder manager's local commitment that he is overloaded in the family company, but he is sensitive enough to find challenge in the support of his local environment. They have good family relationships and positive development in subjective assessment. We can hardly find drawbacks of this family business. In the business administration the division of the labour may be unbalanced. There are not rigorous job descriptions. The family members' behaviour is controlled by not really the corporate hierarchy, but the social coordination (tradition, trust, local values). The family business is one of the social institutions. Due to the overload of the parents, the family winery may not become attractive for the successor. On the other side he is able to take over the delegated tasks in a renewed way. It is the question of the future how the relationship between the predecessor and the successor develops as regards the experiences, professional and personal feelings.

The research suggests approaches to the succession issue for entrepreneurial training development and they are listed in detail below.

FAMILY DIMENSION

1. the family situation in terms of being a parent as authority (flexibility, adaptability)
2. the family has been a source of innovation to develop the business
 1. commitment: individual features (young/Z generation and digitalization, sovereignty, dynamism), work characteristics, demand, tradition and requirements, social changes
3. generational differences are the source of creativity, because the different generations have other value system, information transfer and processing techniques
4. mutually satisfying family relationships are necessary for preventing/palliating escalation of conflicts (respect, loyalty)



BUSINESS DIMENSION

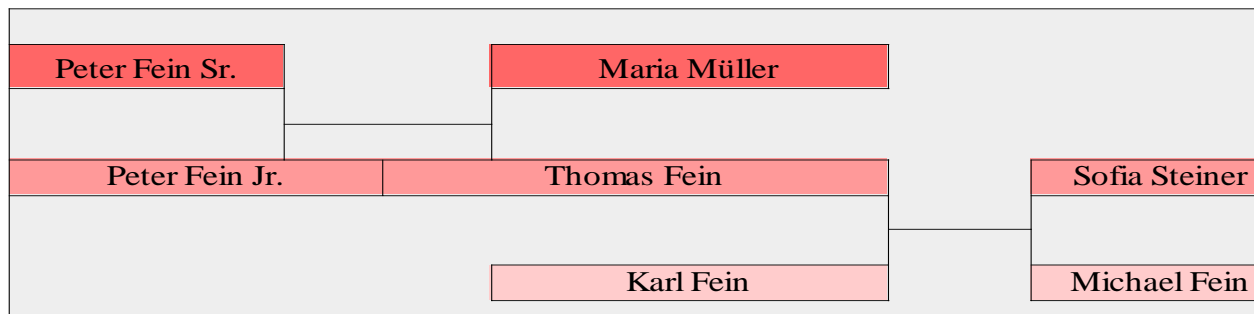
- business opportunities have been the main drive („Our life is the wine.”)
- willing to compromise on family time and money to develop the firm
- marketing (the name of the company, company image)
- training and learning the leadership skills: need to combine the formal and informal training

OWNERSHIP DIMENSION

1. the importance of self- and competence borders knowledge (f.e.: timing, realistic goals)
2. strong personal factor: the founder's identification with the firm affects the decisions (retirement)
3. the financial management focuses on the balance sheet rather than the profit
4. social and cultural capital (knowledge transfer)


Appendix


1. Illustration: The family tree of the Fein's three generations

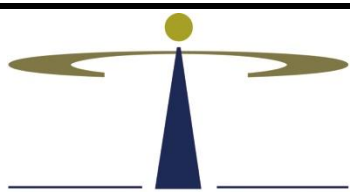


1. Table: Characteristics of the interviewees

	Gender	Qualification	Job position
Thomas Fein	man	Economist (foreign trade)	Owner, manager (2003-)
Sofia Steiner Mrs. Fein	woman	Economist, winemaker technologist	Owner, manager (2003-)
Karl Fein	man	Wine-maker 2011–2013 M.Sc. Viticulture and Enology, Montpellier SupAgro & Università di Udine 2007–2011 B.Sc. Campus Geisenheim	Wine-maker (2006-)
Family's friend	Man	University	University Program Director







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