# EXPLORING LEVEL OF COMMITMENT OF THE NEXT GENERATION THAT IMPACTS MOTIVATIONS TO INHERIT SMALL-MEDIUM SIZED FAMILY BUSINESS: CASE STUDY OF THAILAND



A THEMATIC PAPER SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF MANAGEMENT COLLEGE OF MANAGEMENT MAHIDOL UNIVERSITY 2018

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## Thematic paper entitled

# EXPLORING LEVEL OF COMMITMENT OF THE NEXT GENERATION THAT IMPACTS MOTIVATIONS TO INHERIT SMALL-MEDIUM SIZED FAMILY BUSINESS: CASE STUDY OF THAILAND

was submitted to the College of Management, Mahidol University for the degree of Master of Management



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#### **ABSTRACT**

The objective of this study is to explore the different level of commitment of the next generation that impacts motivations to inherit small-medium sized family business. The research was conducted by comparing the factors that have been found in this study and the factors in motivational theories: Motivation, Deci and Ryan's self-determination theory and the three components model of commitments.

The result of this study shows external factors and internal factors have played an important role of the succession procedure. The finding showed that commitments impact motivations of the successors. This also led to happiness outcomes at work. Recommendations for the family business to prepare the future leader of the company have been provided in the conclusion part.

KEY WORDS: Family Business/ Succession/ Successor/ Commitment/ Self-Determination Theory

24 pages

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# CHAPTER I INTRODUCTION

The heirs of family business play an important part for the companies' future and business survival. There will be some limitation of the qualification of family members who will be in charge of the company's operation and management allowed the company to beat the competitors in the market.

# 1.1 Research Objectives

This thematic paper wants to find out how commitment varied in different levels of the next generation inheriting family business impact on the behavioral and happiness outcomes at work.

In this thematic paper, we will concentrate on the heirs or successors: the next generation of family members who have more opportunities of pursuing their career success rather than focus on making a living. Then, inheriting family business is a high price to be paid for them when they have to select for their future career. Further, this study explores the different level of the next generation's commitment that impact motivations to inherit small-medium sized family business.

The organizational behavior theory, Deci and Ryan's self-determination theory will be used to create the interview questions for the in-dept interview with participants. There will be opened end questions allowing the interviewer to get details from the specific questions.

# 1.2 Research Scope

Information used in this study will be collected from 2 interviews with the heirs of 2 family businesses who have share some points in common and different aspects to take over the companies. One is highly motivated to take over his family business

and has a solid plan to develop the family business in a long run. The other is forced by his parents to take over the business because he is the most qualified one compared with other family members. The semi-structured interview is conducted to gain the information from each interviewee to explore the ideas, aspects, point of views and so on, allowed flexibility of the interviewer to dig deep for understanding. Furthermore, secondary data is used as the supportive information and is analyzed together with the primary data. On the analytical procedure, the actual or observed information have been correlated to the motivational theories and the four components of commitment theories back- and- forth in order to find out the credible answers and conclusions of this study.

# 1.3 Research Question

This research aims to find out the future heirs' commitment toward their family business. Are all the future heirs of family business, who decided to inherit their family companies, really committed to their business? If not, what are the basic bases driven the nature of commitment of these heirs? What are the behavioral and happiness results at work of different levels of commitment?

# CHAPTER II LITERATURE REVIEW

This chapter aims to study on the previous research and relevant theories about intrinsic and extrinsic types of motivation impacting the heirs inheriting family business in term of their commitment and happiness outcome at work. When they take over the family business, in these cases of 4 families, forced to take it and willing to take it, would it become a burden or motivation driving them to work for? As a result, the definitions of keywords, related terms and theories of motivations will be clarified and described as follow:

- 2.1 Definitions
- 2.2 Motivation of the Heir to Take Over the Family Business
- 2.3 The Three Components Model of Commitments
- 2.4 Research Framework

## 2.1 Definitions

## 2.1.1 Family Business

Family business can be defined in many different ways. Chua et al., (1999: 25) defined family business as "a business managed and controlled the company's direction by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families." From a practitioner perspective Astrachan, Klein, and Smyrnios (2002) suggest that family business vary in their 'familyness' and that it is the degree to which the family determines the behavior and direction of the business that matters. Others have defined it as 'one that will be passed on for the family's next generation to manage and control' (Ward, 1987: 252).

## 2.2 Motivation of the Heir to Take Over the Family Business

At different times, the level of motivation differs both within individual and between individual. On the one hand, some who appears driven to be successful at work is the one sitting doing nothing waiting for getting off work. On the other hand, the same one can finish his or her tasks within an hour or less than that if he or she is willing to complete it.

The definition of motivation is the processes that explain an individual's intensity, direction and continual of endeavor toward achieving a goal. While general motivation is focused with endeavor toward any goal (Robbins, 2001). In this case, we will concentrate on organizational goals in order to portray the remarkable interest in motivation-related happiness at work.

#### 2.2.1 Self-Determination Theory of Deci and Ryan

Self-Determination Theory of Deci and Ryan is theory of motivation that addresses issues of extrinsic and intrinsic motivation (Ryan & Deci, 2000; Gagné & Deci, 2005; Deci & Ryan, 2002). People have innate psychological needs: Competence, Relatedness and Autonomy

From the theory, there is a description that any individual would rather feel he or she has control over actions. When anything makes people' assigned works feel more like a must duty than the freely activities they can select, it demotivates people. There is an outgrowth of Self-Determination Theory which is Self-concordance (Sheldon & Kasser, 1998). It considers how strongly peoples' reason to reach goals are consistence with their interest and core values. If they hunt their goals driven by their intrinsic motivation, they are more likely to achieve their goals and are still happy with it even they cannot make it. The reason is the process toward them is fun. In contrast, individuals who hunt goals because of extrinsic motivations (money, reward, status or other benefits) are less likely to achieve goals and less happy even they can make it. The reason is these goals are less meaningful to them. Further, Organizational Behavior research recommends that people who try to achieve their work goals for intrinsic motivations are happier with their jobs, feel they fit into their organizations better and may perform better in the operation (Bono & Judge, 2003).

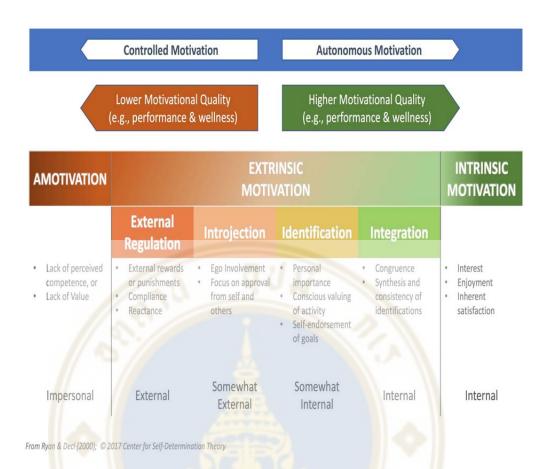


Figure 2.1 The Organismic Integration Theory Taxonomy of Regulatory Styles Source: Ryan and Deci (2000)

From the figure above of a self-determination theory, it illustrates Amotivation, Extrinsic Motivation and Intrinsic Motivation. In this case, we will concentrate on Intrinsic Motivation because it stimulates higher quality of performances or actions.

## **2.3** The Three Components Model of Commitments

Since this paper concentrates on different level of the next generation's commitment that impact motivations to inherit small-medium sized family business, which requires a lot of dedications and skills from the successors to take over and make it survived. Hence, how the commitment drives the motivations of the successors will be considered. There are three components model of commitments. (Allen, N.J. & Meyer. J.P., 1996).

#### 2.3.1 Affective Commitment "Desire Based"

Affective commitment is based on an individual's emotional featured a desire. Passion with your work takes place when you get an intense feeling bonding to your company, and to the tasks that you are assigned do. You will be likely to explore the organization's goals and values, and you would like to be part of it. If you are enjoy working for the organization, you will feel positive, and you will be happy with your career.

## 2.3.2 Normative Commitment "Obligation based"

Normative Commitment is based on an individual's emotional featured an obligation. This bound takes place when you have a sense of obligation to your firm, even though you are not happy in your current job, or even if you want to get better opportunities offered by other companies. You feel that you should stay with your current company, because it is the right option you should select.

## 2.3.3 Calculation Commitment "Opportunity Cost Based"

Calculation Commitment is based on an individual's awareness of the opportunity cost related with leaving the firm. This bound takes place when you weigh up the pros and cons of leaving your company. You may feel that you should not leave your company, because the loss and risk you would encounter by leaving is greater than the benefit you think you might gain in a new position offered.

These losses or risks can be monetary (income and welfares); professional (seniority or role-related skills); or social (friendships or allies).

# 2.4 Research Framework

As specified by the literature review, this thematic paper research has the framework driven by intrinsic & extrinsic motivations and commitment of the successors that probably impact the happiness of the heirs inheriting their family business. We will focus on the factors that related to the motivational theories.

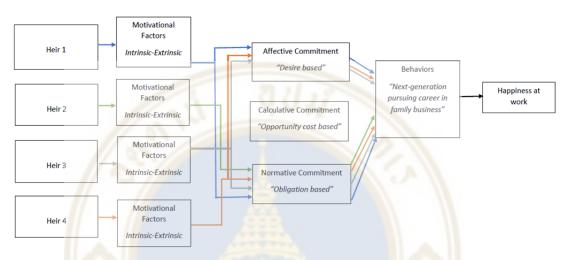


Figure 2.2 Research Framework

# CHAPTER III RESEARCH METHODOLOGY

This chapter will provide the research methodology used for this case study, how to do a data collection and data analysis. The qualitative research has been selected to find out the answer of the question about the different level of the next generation's commitment that impact motivations to inherit small-medium sized family business because it can help us to widely understand the interviewees' experiences, ideas, aspects, business perspective and so on.

The plan is to recruit the interviewees who meet the criteria below:

- 1. Age 24-36 years old
- 2. At least the second generation of their family business
- 3. Their family business is small-medium sized business, a legally independent company with no more than 500 employees.

The sample size is 4 people from 4 family businesses, selected through qualification-met sampling. The age of participant is starting from 24 to 36 because the majority of transition will mostly be occurred during this range.

In order to complete qualitative research, the in-depth interview technique will be adopted to four participants who are now in charge of their family business management and operation. The list of standard questions will be asked to participants.

Below are the backgrounds of the four selective participants:

Heir 1: He is 26 years old graduated bachelor degree of Marketing from Donghua University from Shanghai, China and he is expected to graduate Master degree of Marketing and Management from College of Management Mahidol University in 2018. He is the second generation of Gold manufacturer and retailer in Khon Khaen province. There are now 13 branches in Khon Khaen and 1 branch at The Old Siam, Bangkok.

The interview took about one hour, started by asking the idle topic to break the ice with him before using the set of prepared questions with probing techniques to gain the information. After the interview, I would ask him via phone or Line application if I have more questions to be clarified.

Heir 2: He is 25 years old. He is now studying Entrepreneurship Management at College of Management Mahidol University. He is the second generation of Construction materials retailer in Surin province.

The interview started by asking the idle topic to break the ice with him before using the set of prepared questions with probing techniques to gain the information. After the interview, I would ask him via phone or Line application if I have more questions to be clarified.

Heir 3: She is 28 years old graduated bachelor degree from faculty of Humanities major in English, Kasetsart University and Master degree of International Business from Brunel University, UK. She is the third generation of Chinese restaurant operating 3 branches in Nakhon Pathom province.

The interview took about 1 and a half hours, started by asking the general questions to gather information of her family business background with her before using the set of prepared questions with probing techniques to gain the information. After the interview, I would ask her via phone or Line application if I have more questions to be clarified.

Heir 4: He is 30 years old graduated bachelor degree from faculty of Humanities major in Western Music (Trombone), Kasetsart University and Master degree of Performing Arts from Roosevelt University, USA. He is the second generation of PTT LPG filling plant operating in Nakhon Pathom province.

The interview took about 1 and a half hours, started by having the idle chitchat to gain overall information of his family business structure with him before using the set of prepared questions with probing techniques to gather more information. After the interview, I would ask her via phone or Line application if I have more questions to be clarified

# 3.1 Interview Questions

Due to the technique of in-dept interview, the open-ended questions have been created to gain key information from 4 participants and let them answer the questions freely and share their points of view of their own commitment and motivation at work.

The questions were created based on the motivational theories: Self-Determination Theory of Deci and Ryan and the four types of commitments to family firm- affective (based on perceived desire), normative (perceived sense of obligation) and calculative (based on perceived opportunity cost involved). Thus, the set of interviewed questions are as follows:

**Table 3.1 Interviewed Questions** 

Topic	Question
Motivational Factors	What are the reasons that drive you to take over your
	family business?
	What is the biggest challenge in taking over your family
	business? How did you overcome that challenge?
	After joining the family business, have your working
1 = 1	attitude changed?
16	Have you received the support or help from people around
	you or your family? If yes, how they support you?
	Are you willing to take over your family business by your
	own thought or forced by your parents? How do you feel?
	What did you think/feel at that time when you made the
	decision?
	On a scale 1-10, 10 being the highest score, what will you
	rate your level of happiness at work now?
Commitment	After joining family business, are you willing to continue
	working with? Why or why not?
	Can you give me an example of your concern before
	entering your family business?

**Table 3.1 Interviewed Questions (cont.)** 

Topic	Question		
Commitment	Would you leave your family business if you get better		
	offer from other organization?		
	What is the most essential qualification to work for your		
	family business in your opinion?		
	How your previous working experience helps you in		
	running your family business?		
	Do you want to continue working with your family		
	business? Why or why not?		
// 5	On a scale 1-10, 10 being the highest score, what will you		
// 20://	rate your level of commitment that you have to your		
// 0	family business?		
	In your view, what is the key factor that make you choose		
	to join your family business?		

# CHAPTER IV FINDINGS

The result of data collection and analysis will be presented in this chapter. The in-depth interviews were recorded to see the intrinsic and extrinsic motivations of each interviewee relevant to different level of their commitments to inherit their family business. The findings indicate different level of commitments have highly been affected by the heirs' intrinsic and extrinsic motivations.

From the 4 cases of the heirs inheriting family businesses, they share a common obligation based leading their decision to join their family firms. One of them is fully compelled to inherit the family business that demotivated him to take it, however he cannot escape from his responsibility.

The interview was conducted with 4 people who were successors of the 4 family business companies. The interview was set individually to get a pure opinion of each interviewee. The interview took around one hour per person.

#### 4.1 Motivational Factors

Intrinsic and Extrinsic: These intrinsic and extrinsic can have different effects on behaviors and how each person strives for a goal. In order to understand what factors, influence different mind-set of the heirs, it is essential to understand what underlying based that make the heirs decide to pursue a career in their family firms.

In each of these interviews, each of the heir's underlying based is clarified by their own sharing and analyzing by the interviewer.

Heir1: After graduation, he returns to help his family business, gold manufacture and retailer immediately. He admits that he loose opportunity to gain working experiences in a real labor force market that might be useful to develop his business. In this case, he gives an example of implementing ERP in the company. He said if he had used it while working with other company, he would have had a clear picture of how to systemize

this program to fill in the gap preventing fraud cases of his family business. This project is now delayed because the first IT outsource abandons the project without notice. Then, it is needed to select the new supplier and start all the process again. It can be sensed during an interview that he is ambitious and has a high passion to drive his family business to be more successful. He does not interest in working for other companies, even they can offer higher salary package or benefits because he tells us that at the end he cannot avoid entering family business, then he decides to join now and starts learning from his parents. In his opinion, he thinks that in a long run working for family business will not only help family generate income but also become a valuable asset of the company. From the parents' business point of view, son-in-law and daughter-in-law are welcomed to join their family business that will be potential human resources of the next generation's management team.

According to the in-dept interview with the heir1, he has a "desire based" together with "obligation based" to join his family business. Even though he has to adjust himself with the new working environment that he never has his own experiences to work with other companies, he is will to do and be a part to help his family. Below is a part of his interview.

"I never think of working for other companies. I know that sooner or later I must inherit my family business. Then joining the family business early is stealing a march on others and our family business will gain the advantages."

Heir2: He strongly insists that he does not want to inherit his family business, but he cannot avoid this burden. In his family, there are 1 elder brother, 1 elder sister and him (Heir2). Actually, his elder brother is the first heir reigning to take this responsibility and position, but he rejects to take it because he is not suitable in many ways and aspects. The elder brother used to join family business and help their parents share the work. There are conflicts that there are no clear job descriptions urging duplication of working. He adds that their vision is not in the same direction which is another key factor that makes him decide to leave his family and find his own way to start doing his own business. Further, his elder sister will not be considered to be the potential successor according to Chinese culture that the daughter will not be able to inherit her own family business after marriage. Most of the time, when the daughter gets married, she will become an asset of husband family. She needs to help husband's family business rather than her

own one. Then, he is the only one left to inherit his family business, construction retailer. He finds it difficult to take part in this business and he needs to put a lot of effort to manage team and solve facing problems day by day. It is needed to learn about product knowledge to be able to explain the instructions to the customers. He accepts that it is a tough job. For him, dealing with people is the most tough job because his business related to deal with wide range of people starting from the daily labor to management team.

Due to the in-dept interview with the heir2, he has to inherit his family business because of "obligation based". He wants to have his freedom to start doing his own business. If he failed with it, he would still feel better to do what he interested in. Below is a part of his interview.

"I scarcely long for joining family firm but there are no any other choices. I felt regret to see my parents to work hard at this age nearly their retirement. I cannot stand doing nothing but jumping in to help them. It is my duty to help them."

Heir3: She spent time around two years after graduated Master Degree from UK working with both local and global companies to gain experiences before returned to inherit her family business, Thai-Chinese restaurants. For her, she can see the vivid advantages and disadvantages working outside vs. working for family business. On the one hand, working for other companies give a good opportunity to challenge herself to learn new things as fast as possible. On the other hand, it limits a person to finish work only on the area that a person is responsible for. It does not allow her to be creative because she has to follow the command of the management team. She considers it a block of potential maximization of a person. This kind of routine job makes her bored and decide to return home putting all of her effort on her family business that she will be the final decision maker to direct her business in the way that she thinks it will be beneficial. The current management team of the restaurant makes her amazed that they have to be quick-witted and have a high ability that she never expects before. To be the manager operating restaurants needs many qualifications to run the business smoothly. If the manager lacks of solving facing problem skills, it might cause the lost to the business. She shares her own experiences that she was insulted by other people because they thought that a high educated person like her should not work for her family's restaurants. However, she continues developing her products and services to beat with the restaurants' competitors in Nakhon Pathom area. At the beginning that she joins the family business, she tries so hard to implement ERP named Ocha application to get rid of manual ways of tracking daily sales performance and other operation procedures. After this project done, she gets more credibility from her parents to be in charge of other tasks. She tells us that this is their family's way of appreciation that she is potential to grow and ready for more responsibilities.

In accordance with the in-dept interview with the heir3, she has a "desire based" and "obligation based" to join her family business. In her family, birth order and gender are not counted to consider the future successor. "Put the right man into the right job" is her family strategy to select the right heir leading the company direction. Below is a part of her interview.

"If you work for others, others will be rich. You drive their company's engine to make a handsome profit. Why don't you want to drive your own family business to succeed in the higher stage of achievement?"

Heir4: He gradually learn about product knowledge and how to operate the line production of LPG Filling plant since he was 12 years old. This strength makes him be able to do operational work and management duty. This business starts from his grandmother's era. She finds it a great opportunity to be the authorized dealer of PTT LPG selling LPG for both wholesale and retail. She notices that LPG is necessary product that there are no substitute goods to this kind of cooking gas that generally uses in household, food production or manufacturer industry. Then, she encourages her descendants to expand the business by opening more LPG Filling plants in other provinces nearby Bangkok to make a fortune. Before entering the world of family business, he had a chance to be the full-time trombonist performing in Chicago Symphony Orchestra after graduated Master Degree of Performing Arts in USA. He said that chance made him sharpen the saw of people skills because he had to deal with many musicians from various sections. He can apply this skill when he decides to join his family business. The key reason that pushes him back to help his parents is lacking of potential human resources. It is difficult to find the qualified candidate who fits in with the role of Factory Manager in rural area. He feels that it is his responsibility to take over the business and let his parents retried. He also feels guilty that he leaves his parents working hard to make money sending him be able to complete Master Degree abroad. For him, it was a price to be paid and it is the right time to take over his family business. Then, his parents will have more time to spend after their long hard work. One of disadvantages of working with family business for him is there is no work life balance. The plant has to operate 7 days per week. On Sunday, it will open for a half day closing at 12 P.M. He tells that if his plant can apply 2 day-off per week, it will motivate the staffs and improve quality of line production in a long run.

According to the in-dept interview with the heir4, he has a "desire based" together with "obligation based" to join his family business. The love of parents makes him not saying "NO" to his family business. He has to do it, develop it and pass it to the next generation. Below is a part of his interview.

"I cannot let my parents down. They did so many things to support me to have whatever I long for, so it is the time to pay them back. I am so lucky to have such a warm family and we did not have to face the hard time to build up a fortune."

#### 4.2 Commitment

From the table below, it demonstrates the percentage of commitments that the heirs have to their family business.

Table 4.1 Demonstrates the percentage of commitments that the heirs have to their family business.

	Affective	<b>Calculative Commitment</b>	Normative
No.	Commitment	"Opportunity cost	Commitment
	"Desire based"	based"	"Obligation based"
Heir1	60%		40%
Heir2			100%
Heir3	60%		40%
Heir4	50%		50%

Heir1: In his opinion, he considers himself mixing of 60% affective commitment and 40% normative commitment. He said that he could not run-away form inheriting his family business. Then, there is no use postponing it. He eagerly wants to apply his knowledge from school to develop company's future direction.

Heir2: He open-mindedly shares to us that he does not want to take over his family business at all. Then, he rates himself 100% normative commitment to his family business. There are some conflicts about operation system that cannot be solved. His parents want to keeping on manual tracking stock of daily sales, but heir 2 wants to implement IT system to track current stock and maximize collecting customers' data. These lead the family members feel uncomfortable while working together.

Heir3: She rates herself mixing of 60% affective commitment and 40% normative commitment. She feels free to initiate new project that improve her products and services, Chinese restaurants. Now that she used to work and live in the heart of Bangkok, she has a new idea of food delivery that she sees an opportunity to apply. It is easy for her to negotiate for an incentive or other benefit when she performs a significant result. Further, she is proud of making a handsome profit and make her family business grow sustainably.

Heir4: He accepts gently that he is mixing of 50% affective commitment and 50% normative commitment. He is the first son of his Thai-Chinese family. Then, he is prioritized to inherit the family business. He does not want to pursue his career in Bangkok because of many reasons e.g. traffic jam, bad public transportation, not flexible work hour and so on. He told us that his parents did not force him to take it. They can wait and let him pursue his dream of being a famous musician. It comes from his own thought to take over his family business and do whatever it takes to be a successful businessman as soon as possible.

He will not let his parents down.

Table 4.2 Happiness at work Score

No.	Happiness at work Score
Heir1	8.5
Heir2	2
Heir3	9
Heir4	10

Heir1: He rates himself 8.5 points of happiness at work. He told us that he did not have a chance to work for other companies. Then, he is not sure whether it will generate different level of happiness at work. However, he gets bounding to his family business and really want to make it more successful.

Heir2: He is so confident to give 2 points of happiness at work now that he was forced to take over his family business. He feels stressful to take this burden and uncomfortable to work for his family business, but he has no any other choices.

Heir3: She gives herself 9 points of happiness at work because she highly takes an ownership while working for her own family business. She really cares about gain and loss of profit. Moreover, she pays attention to improve the food preparation and the production to prevent lost.

Heir4: He rates 10 points to his happiness at work because he can make money while having much time to spend with family and kids. For him, there is only one source of pressure coming from himself. He positively thinks that it will drive him to work harder to make his parents proud of his success.

The following table gives the overview of the 4 cases analysis.

Table 4.3 The overview of the 4 cases analysis.

No.	Motivation		. Motivation Commitment		Happiness at work	
	Intrinsic	Extrinsic	Affective Commitment	Calculative Commitment	Normative Commitment	Score
Heir1	✓	<b>√</b>	<b>√</b>		<b>√</b>	8.5
Heir2		✓			<b>√</b>	2
Heir3	<b>√</b>	<b>√</b>	<b>√</b>		<b>√</b>	9
Heir4	<b>√</b>	✓	✓		✓	10

#### **CHAPTER V**

#### CONCLUSION AND RECOMMENDATION

In this chapter, the main finding from analyzed information are summarized and conclusion based on the findings of the study. Furthermore, the recommendations and limitations of this study for future study are presented.

The most relevant type of commitment that impacts on the heir's motivation to inherit their family business is Normative Commitment, obligation based. Each of the heir from the 4 family businesses is not equally committed to his or her family firm. When the heirs decide to pursue a career in the firm, their underlying based of desire, Affective Commitment, drive them to really engage to their family firms. Both intrinsic and extrinsic motivations influence on their mind-sets which intrinsic of willing to do by themselves leading to get them have more happiness at work. Whereas, compelled or forced to do in the succession process leads to get them have less happiness at work in family businesses.

#### 5.1 Conclusion

From the Finding chapter analysing data collection, it can be summarized that the heirs who willing to take over family business by themselves have higher score of happiness at work.

According to motivational factors, the heirs who were driven by intrinsic motivations to take over the family businesses tend to be able to work for family business smoothly and can get along with other team members. Whereas, the heir who lacks of intrinsic motivation to inherit the family business encounter obstacles to work for family business. This demotivates the heir. As we can detected from their statements during the interviews below.

Heir1: "Working for my family would be better than working for others. We can design the operational process, get it changed or develop the production in the way we want. The hierarchical of management is not high, so it is not difficult to get approval from management team to implement new method or request for the new budget."

Heir2: "Most of the time my parents seem too attached to the business and they do not coach me properly to be the future successor. It makes me feel bad that I have to try to learn every single thing on my own without any support."

Heir3: "After experiencing the world of working outside, I am ready to return home inheriting family business. Do not look down on people who work for their family business because it requires more qualifications than others thought. At least, you have to be quick-witted to solve facing problems daily."

Heir4: "For me, I decide to put all of my effort to inherit family business because it also offers me the opportunities to stay home and spend time with my loved ones. It keeps me safe and warm working with my family members. Fortunately, I have been with this business since I was very young. I know all the process of operation, then it is not a tough job for me to join team."

Based on the Self-Determination Theory of Deci and Ryan, the theory addresses that people have innate psychological needs: competence, relatedness and autonomy. The heirs who have their long-term goal of inheriting their family business apparently put more effort to develop the companies and try to achieve target. No matter what is a small or a big goal, it will be meaningful to them. They prefer to feel they have control over their actions. Even though each heir has his or her different reasons to take over the family business, they share something in common which is family bounding. It is the factor that make the heirs turn down other opportunities and pursue career in family business.

Heir1: "I believe that working for family business allows me to maximize my own ability to develop our firm. I can be creative on the new projects and apply all knowledges to my job"

Heir2: "I was forced to take it and I cannot refuse. Even though I am not happy with it, I will keep on doing the business to take care of my family."

Heir3: "Even though I am a daughter, our family does care about the potential of the future successor rather than gender. I am so proud of myself that I can prove myself that I am the most suitable one to take care of our family business."

Heir4: "I cannot be selfish. It is the time for me to take over my family business and let my parents retried. I know it is a tough job to run the business, but I will make them see that I can do it. They can count on me."

From the three components model of commitments, all of them understand that inheriting family businesses is their duty to complete. Most of them decided to pursuing career in family businesses influenced by this type of Normative Commitment, obligation based.

Heir1: "Sooner or later I have to take it. Then, let take it now. I will try to learn from my parents as fast as possible"

Heir2: "If I can choose whatever I would like to do, I will enter our family business. Anyway, I know it is an offer I cannot refuse."

Heir3: There is no one else being able to take over the family business. I will do it and I will do whatever it takes to make it better."

Heir4: "I am an older son of my family. I know that I have duty that I will be responsible for."

#### 5.2 Recommendations

The business world is changing rapidly now that it becomes more dynamic from the internet accessibility, the globalization, the technology advancement. It creates both challenges and opportunities. To start a new business is hard, but to make the current one to grow sustainably is harder. It is essential for the next-generation leaders to invest and develop their products or services making companies survive.

The willing to take over family business is powerful and necessary to the heirs who will become the future leader directing companies' direction. The current management team of family business should have a long-term plan to build up the potential future successors to prevent the shortage of the qualified ones.

For parents, they should prepare readiness to the heir step by step. Instead of forced the heirs to take over the family business, they should nurture them to see the company structure and the long-term plan of the succession.

Scenario 1: The heir has the willingness to take over the family business by himself or herself.

There will be some advantages of the heir's Intrinsic Motivations that drive him or her to inherently put an effort and have a high level of commitment on working for the company. In this case, parents should allow them to have the decision-making power, but it should be supervised by the parents. To make the heirs feel comfortable to work for family business, the parents should set the timeline to reduce their roles in the company and move to be the consultant to help the heir plan for the company's future direction.

Scenario 2: The heir is forced to take over the family business.

In this case, there will be some disadvantages of Extrinsic Motivations caused by the force of the parents. Thus, the parents should reduce the heir's resistant of taking over the family business by leading the heir what to do during the transition and increasing the heir's Intrinsic motivation. They should set the timeline to reduce their roles in the company and move to be the consultant to help the heir plan for the company's future direction. To build up the heirs' intrinsic motivation can be letting the heirs start working in the area that they are interested in or good at e.g. IT, HRM, HRD or Finance. There will be less stress step for the heir and give a clear proof of good start for the heir, the new comer of the family business company.

#### 5.3 Limitations

The first limitation of this thematic paper is limited time to find the qualificationmet interviewees who are the heirs inheriting family business. If there is more time to collect data of various heirs, there will be more clear result on this topic. It is interesting and beneficial for the future research to understand and find out more details of factors that helps each small-medium family business prepare their potential future successors.

The second limitation of this research is that it was conducted on only 4 heirs from 4 family businesses who are now inheriting the business legacy. Thus, the perception may not reflect the actual of various level commitment or other motivational factors that were driven the heirs to take over their family businesses. Thus, this could be a guideline for future research on this relevant topic that can dig deep in more details of motivational impact that can be measured by companies' revenue.

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