

**THE KEY FACTORS INFLUENCING Y GENERATION'S  
DECISION AND MOTIVATION OF FAMILY BUSINESS  
INHERITANCE IN THAILAND**



**A THEMATIC PAPER SUBMITTED IN PARTIAL  
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Tanika Kierasawat

A large, faint watermark of the Mahidol University logo is centered on the page. The logo is circular with a blue background and a gold border. Inside the circle, there is a gold emblem featuring a traditional Thai architectural element, possibly a stupa or a similar structure, with intricate carvings. The Thai text 'มหาวิทยาลัยมหิดล' (Mahidol University) is written in gold around the inner edge of the circle.

**THE KEY FACTORS INFLUENCING Y GENERATION'S DECISION AND MOTIVATION OF FAMILY BUSINESS INHERITANCE IN THAILAND**

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**ABSTRACT**

Family business is one of the major contributors to Thai economic growth. It has long been one of mainstream business in developing county. One of the keys to sustain family business is the smooth succession of transferring from generation to generation.

Therefore, this study aimed to identify key factor influencing decision maker and motivation on family business inheritance by focusing on second generation of SME family business who are in the age between 26-40 years (born 1980-1994), Y generation. Qualitative approach is used in this study. After conducting interview, using thematic analysis as a tool to analyze, and coding key factors affecting decision, the result of this research shows that the consideration factors involve multidimensional decision making. Among the key factors, it is found that the view of inheritor considers five key factors including Corporate attribute, Management concern, Passion in business, Governance variables, and Family capital. In addition, motivation is one important dimension that cannot be ignored in order to success on primary stage of family business sustainability.

**KEY WORDS:** Family business succession/ Family business inheritance

27 pages

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# CHAPTER I

## INTRODUCTION

### 1.1 Background

Many people say that families are the most important foundation of society for learning, growing and achieving success as family is the smallest unit and is the starting point for raising, training, and building ideas. How a person grows up depends on family as an important factor. Certainly, for Thai people, there is no dispute on that point. Some even think that family means more because they rely on family in various aspects. The welfare state of our country is not quite good compared to developed countries, as a result each person and each family needs to work to earn money and take care of one's own family. In Thai culture, children were raised and taught to love and give gratitude to their parents. When grown up or even after graduated, they still have to follow their parents. It is similar to Chinese culture which traditional families are highly valued and hold prominent position in culture.

According to the Global Family business survey conducted in 2019 by PwC, PricewaterhouseCoopers, it shows that family businesses are one of main drivers of economy. Accounting for more than 80 percent of GDP, 96 percent of family businesses are expected to grow in next two years. Moreover, 76 percent have next generation family members working in the business and 86 percent plan to pass to the next generation. (PwC Thailand, 2019) For those reasons, families in Thailand that have their own business often expect their children to succeed their family businesses. The next generation family members need to make decision whether they would inherit the family business or not. Among economists, generation refers to demographic division that divide population into 4 groups by age. The population classification in agreement with this idea is group 1, Baby Boomer generation. In other words, the elderly group are people aged between 61-80 years (born 1940-1959). The second group is X generation which is a group of people aged 41-60 years (born 1960-1979). The third group is Y

generation, aged between 26-40 years (born 1980-1994). Then the fourth group is Z generation which are person who were born after the year 1994 onwards (McKinsey, 2018). Each group has different behaviors thus understanding each group will help narrow the gap in communication. I, myself is one of the people who are in Y generation and considering working in family business.

A couple of years ago, I have seen friends, brothers and sisters, and many families around me facing with a similar situation to decide whether to inherit family business. Some people choose to build their own business. Some people choose to work in other companies or some work in their own family business. Some families, especially parents understand the needs and decision of children. Some families understand but do not support or some might not understand and even not allow them to do what they like which may reach to the point of conflicts. One hypothesis that can be discussed is the difference in generations results in different ideas, attitudes, and decisions. In my family, my parents understand and do not prohibit if I do not want to work in a family business, but I know that my parents still want me to inherit their business. I consulted and listened to opinions of many people around me. Someone says that I should continue to work in the family because Thailand economy is currently in downturn and it will be difficult to find other jobs or establish new businesses. Others say that I should think and have confidence. If I have passion to build own business, then I should do it.

In my opinion, each person will have different decision-making elements, different factors. As mentioned above, more than 80 percent plan to pass the business to the next generation but the problem is succession rate of passing to second generation is low. Therefore, I am interested to study and learn more about factors that influence Y Generation's decision to inherit family business.

While there are many researches about family business in Thailand, they have not addressed about factors influencing the decision stage to inherit, especially focusing on this generation. This research aims to find the key factors of Y generation's decision and motivation of inheriting family business from the first generation. Thus, the research will use the qualitative method to analyze actual opinion and experiences



from the sample of Y generation group who has family business in order to identify clear factors.

## **1.2 Research Questions**

What are the key factors that influence Y Generation's decision to inherit family business? What are the motivations of working in professional life that drive you to work or do the business?

## **1.3 Research Objective**

1.3.1 To identify factors that influence Y Generation's decision to inherit family business. The proper methodology will be designed and used with selected group in order to find the significant decision factors

1.3.2 To understand working motivation and professional life goals that drives them to work or do the business. The information which is gained from this study will be compared with the theory to analyze cause of decision making

## **1.4 Scope of study**

This research will focus on group of Y generation, people born between 1960 to 1979, who are the second generation of family business and are currently in the point of making decision whether to inherit their family business or not. In other words, the family that is transferring family business to the second generation. It could be small or medium-size business in Thailand. By meaning of small and medium sized business, it would be considered with two factors. Small business has fix asset value less than 50 million baht and less than 50 employees while medium business has fix asset value more than 50 million but less than 200 million baht and 51-200 employees (NIDA Economic Review, 2013).

### **1.5 Expected benefit**

This research determines to study factors that influence Y Generation's decision to inherit family business. Thereby, after all factors are shown, it would help bridge the gap between generations and act as true information that helps connect family member to understand each other.



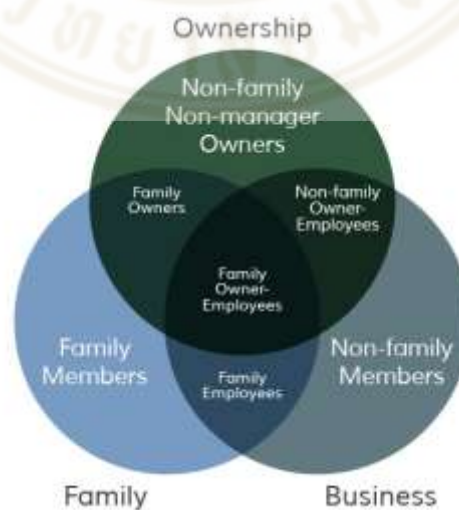
## CHAPTER II

### LITERATURE REVIEW

When someone decides to build a business, then over time, no matter how successful or growing that business is, the business is passed from one generation to others within family. This is known as family business. For the theories, there are many experts studying about family business in various aspects; for instance, family business in term of organizational sustainability or in term of decision-making factors and influence on choosing successor etc. This chapter will go through all definitions and theories related to this research topic.

#### 2.1 The Three-Circle Model of Family Business System

The Three-Circle Model of Family Business System is one of the most frequently examined. It was developed at Harvard Business School by Renato Tagiuri and John Davis in 1978.



**Figure 2.1 The Three-Circle Model (Tagiuri and Davis, 1978)**

The framework clarifies the interdependent of three parts in simple term which comprise of Family, Business, and Ownership. As a result of the overlap of three cycles, there are seven group types. Each group has own goals and perspectives which cause different result of decision. In 1978 at Harvard Business School, Professor Renato Tagiuri and doctoral student, John Davis explained the dynamics, roles, issues, and tensions in family business systems. This model, today, remains as the paradigm used widely for understanding and analyzing family business systems.

With the Three-Circle Model, one can depict seven distinct interest groups or stakeholders with a connection to the family business:

1. Family members not involved in the business, but who are descendants or spouses/partners of owners
2. Family owners not employed in the business
3. Non-family owners who do not work in the business
4. Non-family owners who work in the business
5. Non-family employees
6. Family members who work in the business but are not owners
7. Family owners who work in the business

The model of the family business system shows three overlapping circles or subsystems that are interconnected, which indicate that what happens in one circle influences the others. If one circle, say the family, is in conflict or stuck, it can pull down the performance of the other circles and stall out the development of the entire family business system. On the other hand, a high-performing business can create pride in a family and build unity in the ownership group (Tagiuri and Davis,1978.).

For this research, even this model was created more than 40 years, but it still not only helps identify where in the family business system issues are occurring, but also helps diagnose why issues have occurred or spread from one circle to another. Moreover, it is interesting to observe whether passing family business to next Y generation who are standing at different position in the cycle have different factors to make decision of inheritance or not.

## 2.2 Key factors influencing family business inheritance

In term of business succession, there are many researchers studying in various aspects and usually focusing to study in relationships and configuration, but there is still lack of understanding in other factors that effect on family business succession for instance family tradition or family business inheritance.

In the inheritance of family business, Jau Yang Liu in the year 2018, studied family business sustainability by analyzing key factors influencing family business. The research points out that there are five major consideration factors of inheritance consisting of five factors which are family capital, corporate attribute, niche inheritance, governance variables, management concern.

**Table 2.1 The dimensions and description of family business inheritance factors**

Factor	Description
Family capital	Tradition of family and intangible relationship in family structure
Corporate attribute	Business scale and trait that the business faces in order to survive
Niche inheritance	Succession planning and requirement profiles
Governance variables	The proportion of shares and culture in family such as centralization or socialization
Management concern	Authoritative leadership and nature of decision making in family

The study adopts qualitative and quantitative method with Taiwan family business which 44.1% respondents were second-generation owners. The result shows that family capital dimension is the most important factor influencing decision makers in inheritance. Prioritization of all five-consideration dimensions from the highest to the lowest would obtain as following;

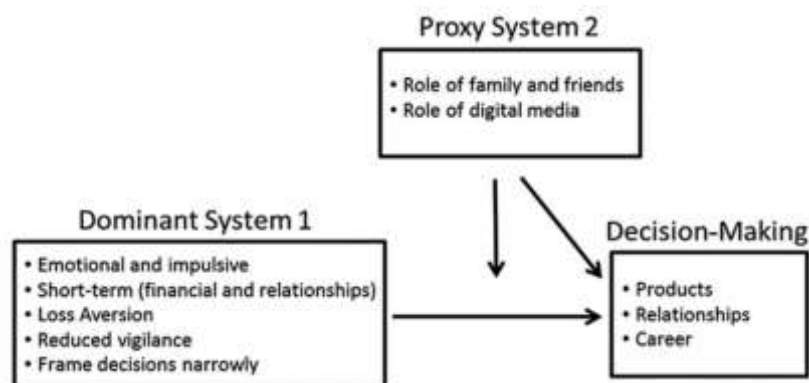
1. Family capital
2. Corporate attribute
3. Niche inheritance
4. Governance variables
5. Management concern

(Jau Liu, 2018) Nonetheless, this study is viewed from the perspective of Taiwan which is interesting whether the factor would be the same in other country or not. It could be the same factors but different prioritization because there might be more important factors to be concerned or some dimensions may not need attention when it comes to different context in different country. Moreover, we probably find additional factor with different prioritization if it is conducted in other country and different generation.

### 2.3 A dual-system approach to understand “generation Y” decision making

This research aims to find how the second generation of family business makes decision to inherit or not to inherit their family business which designed to study by focusing on generation Y. This generation segment comprises of individuals who were born between 1979 and 2000 (Weingarten, 2009) or around 15 years during this period. Generally, most people in this generation have few siblings. They are not preferring to work alone but tend to like to work in a team in a culture that is organized and growth oriented. They believe that working with the good team would help them accomplish their goals more easily than when working individually (Berkowitz and Schewe, 2011).

Dual-process and dual-system theories have been frequently used in many researches to understand how individuals conduct learning, reasoning, social cognition and decision making. According to the theory, individuals typically have two distinct processes for a cognitive task.



**Figure 2.2 Dual-system approach flamework**

From the figure 2.2, System 1 is characterized as an automatic and unconscious process. System 2 is characterized as a process of analytical and reflective. This framework was used to develop a better understanding on how generation Y makes decisions which the conclusions in the figure 2.2 is the research that were conducted in two cities in India, namely Mumbai and Bangalore. The discussions focused on the characteristics of generation Y on topics that include their independence, aspirations, influence of peers and friends, role of family, impact of religion, and monetary perspective (Viswanathan, V., & Jain, V., 2013) to clarify how one group of generation different from another generation in term of decision making. The result is how Y generation make decisions are significantly different from X generation and other generation. Generation Y are more likely to use system 2 in order to make decision because they have been raised in a much more protective environment and technology-based circumstance than past generations.

However, this research was conducted by using foreigner as examples and clearly that different culture, social and circumstance lead to different result on how to make decision specially to make decision on family business inheritance. It is a good opportunity to study factors influencing Y Generation's decision in different county with new different perspectives which the topic of the research focusing on family business inheritance of SME business in Thailand.

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

This exploratory research applied qualitative method as a tool to draw results. The aim of research is to find key factors of Y generation's decision and motivation of inheriting a family business from the first generation. To study factors that influence Y generation's decision who are in the second generation of family business, the result would be the true information that helps connect family member to understand each other and bridge the gap between generations.

Regarding the information gathering, qualitative research would provide understanding on the way of thinking and factors of decision on family business inheritance. The in-depth interview is an appropriate tool to use to collect information from selected groups because it is interpretative approach to understand attitude, decision, and motivation which better survey or other method.

#### **3.1 Data collecting method**

In order to gain data, this research would interview individuals who are in the second generation of the family business. All interviewee would be in the age between 21-37 years, Y generation, which are divided into three groups as follow;

- Individual who decided to inherit family business  
(10 participants) coded with DI01-DI10
- Individual who decided not to inherit family business  
(10 participants) coded with ND01-ND10
- Individual who decided to startup their own business  
(10 participants) coded with DS01-DS10

The interview will be conducted in total of 30 respondents. All these groups would represent Y generation's decision whether they decided to startup their own business or decided to inherit their family business or not.



According to the main objective to identify factors that influence Y generation's decision to inherit family business and to understand motivation that drives them to do the business, at least 30 interviews will be conducted within two weeks. The method of interview will be either face-to-face interview or online virtual video conference, depending on time and convenience of interviewees. The estimated time of each interview session will be about 30 minutes because it should not be too long or too short to gather the information. For confidentiality purposes, the research will be described by using code and pseudonym.

### **3.2 Interview Questions**

The interview questions have been selected and divided into three parts from framework and previous research, discussed in the literature review. The first part is the opened questions which are general question to create understanding and to gain an overview of the attitudes and feelings towards family business. Second part is focused questions to show the criteria and elements that are used to make decision on family business inheritance. Final part is about motivation and goals in their professional life.

### **3.3 Data Analysis**

In order to collect data, all interview sessions were recorded by using digital voice recorder. Then, the records were transcribed after the interview was completed. The interviews were conducted in Thai and the transcriptions were translated into English by researcher. All the data in text version was coded manually and used thematic analysis as a tool to analyze and identify key factors influencing Y generation's decision in inheritance family business. This analysis is an appropriate approach as this study emphasizes on how people make decision, family context, and perspective of participants as objectives of the study.

## **CHAPTER IV**

### **RESEARCH FINDING**

The interviews were held on two weeks from July 6, 2020 in three different ways; face to face interview, video conference, and call interview. In fact, most of sessions are in the form of call interview and video conference because the interviews were conducted during coronavirus situation. Each interview session took over half an hour on average from three different groups. First group of the participants (DI01-10) are individuals who decided to inherit family business. They are now working with their family members more than two years. Most of them are responsible for various tasks as a general manager. Second group of participants (ND01-10) are individuals who decided not to inherit family business. Even though their families have business, all decided to work for other private company in various industries. Third group of participants (DS01-10) are individuals who decided to startup their own business. It is similar to previous group that their family has the business but all of them decided not to inherit family business and establish own business as startup. In total, 30 interviews were conducted.

#### **4.1 Key factors influencing family business inheritance**

After conducting in-depth interview session, the key factors influencing decision maker in family business inheritance show multidimensional characteristics. In fact, when individuals make decision on anything or even make decision whether to inherit family business or not, they normally consider in various aspects and different factors. Nevertheless, all those factors are not independent from one another which the result shows that majority of participants mentioned five major factors that have most influence when making decision on family business inheritance.

#### 4.1.1 Corporate attribute factor

The Corporate attribute dimension means the level of business performance compares to other competitors in the same industry by considering business traits and external factors that the family business is facing. This is an important decision factor. Whether they decide to run the family business or not because the group we choose to study is a SME business. Many businesses were established for more than 10 years, so some of them have become less competitive in the market as time changes. Some families are unable to carry out business or modernize themselves.

This resulted in decrease in performance and competitiveness among competitors. To make decision on business inheritance, many people consider this factor as the main factor which can be seen from interviews

An individual who decided **to inherit** family business mentioned *“I consider this factor first because I don't want to waste my time. I don't want to invest in training and learning then business cannot compete in the market. It is true that every business always has new obstacles and new competitors but the efficiency of our business as original must be good and have potential to continue...”* – DI06

An individual who decided to **not inherit** family business mentioned *“I consider this factor in term of external traits if there are too many obstacles, either because of the era factors or the changing market competition, we should not continue the business...”* – ND01

An individual who decided **to start own** business mentioned *“I think the performance of a business is important, no matter how big or small our business is, we need to have key customers that can generate stable income for us...”* – DS02

It can be seen that this factor is one of the topics that many participants consider because everyone wants to invest with the high return. Investing does not only mean money but also time in building the business. No one wants to spend time with low potential business. Moreover, our world nowadays, everything changed very quickly. If we start up any business, our competition is likely not to be only domestic, but the internet makes us export and trade commodities all over the world, while at the same time we have to compete with the rest of the world as well. Therefore, it is important to occasionally access and evaluate business conditions.

#### 4.1.2 Management concern factor

Management concern means the authoritative leadership and nature of decision making in family focusing on authority in making decision in terms of business. This factor is important because it relates to the culture of each family such as

Person who decided **to start own** business mentioned *“I admit that poor communication is also an important part. Older generations still do not believe in our abilities, because we too may communicate badly, preventing them from giving us decision-making power....” – DS08*

Chinese culture as there are many Chinese families or Thai-Chinese families in Thailand. The person who will be the key decision maker for important decision in the family business will be the head of family, that is, the man or the father. Even if there is successor or the business is already transferred to successor when making important investment decisions, successor needs to discuss and seek permission from previous generation. From the interview, it was found that some people decided not to continue the family business for the reason that they can foresee that they will now have authority in decision-making but instead controlled by older generation as they tend to not open to new things and still do not trust the second generation. Therefore, it is better to choose to start a new business of their own.

The younger generation always believes in their own decisions, oriented to self and globalist (McKinsey, 2018). Although, culture can influence people's behavior, in some families they create an environment of listening to each other's opinions well. As a result, both generations are able to talk and explain their views in order to create mutual understanding.

#### 4.1.3 Passion in business factor

This factor shows whether personal preference in business matches with family business or not. Majority of participants have similar question to themselves whether they like the business. Certainly, not everyone gets what they like. In every business that individuals are responsible for will definitely have what they like to do, what they prefer and what they do not like. In deciding to run a family business, preference and ability are important things to consider. As one example, She chose not to run the family

An individual who decided **to start own** business mentioned *“I love children and it is my personal preference that I would like to do business, beauty or school. I have inspiration about children. If my family had that kind of business, it wouldn't be difficult to decide...”* – DS10

business continually but started her own business because her preferences and abilities were incompatible with the nature of family business. Her family business runs factories that manufacture machinery which the main task was to run the factory. As she herself is the family's eldest daughter, she was expected to inherit family business.

Now let us look at another case that decided not inherit family business even the business performance is very high. His family has many businesses such as medical tourist, processed agricultural products, and planting cassava to produce ethanol. One key factor that he decided not to inherit business is that he has passion in another career.

It is undeniable that humans are able to do things better if we passionate and are motivated in what we do. It would be difficult to do things without passion or

Person who decided **not to inherit** family business mentioned *“When I made my decision, I asked myself what I was interested in, and the answer was, I prefer doing other things. Not a family business...”* – ND06

interest. At present, technology gives us the opportunity to do many things. The limitations that had been in the olden days were greatly minimized, for example, we could have our own store without renting a space. We can have our own media by creating Facebook page to sell products worldwide or creating the YouTube channel to promote news and information for free. All of these things are what could not happen at the time of previous generations.

#### 4.1.4 Governance variables factor

An individual who decided **to inherit** family business mentioned *“Our family has a clear arrangement of finances, salaries, bonuses, assets and individual responsibilities. I think that is good I have 4 siblings. So that we will not fight with each other but what our family did because my father passed away...”* – DI06

Governance variables means the proportion of shares and clarity in the allocation of benefits. The allocation of property and family benefits is not discussed. Data from many families obtained from the interviews showed that only 6 of the 30 families provided the answer clearly that they had clearly divided and allocated interests. The second generation provide the same opinion that they want clear allocation of assets. This is not only to reduce family conflicts but also to make individual work and development of plan easier. Moreover, many people in this age begin to think and plan their future, work and personal lives. Working in a family that is not planned, discussed to clearly allocate benefits, can also affect decision-making.

However, for Thai society, it may be a sensitive issue for the second generation to talk to the first generation on this issue. Some people may think that it is inappropriate to speak. One possible way is to find a business advisor to be the intermediary in strategic planning. Strategic planning can be done on many topics such as regulations in the company, performance appraisal or property management. All family members should participate in the conversation. (Harvard Business Review, 2020)

#### 4.1.5 Family capital factor

Family capital factor means intangible relationship in family structure especially between parents and children, and among sibling. This factor is quite abstract because of the relationship, the intimacy in the family that was formed from the upbringing of childhood. To make it more concrete, in the interview question, participants were requested to rate relationships point from 1 to 5. If participants thought that they were very close within their family, they were able to discuss life issues then rated five points. The result shows that participants who rated 4-5 point are from the

An individual who decided **not to inherit** family business mentioned *“I'm close with my family and able to discuss all matters. But in work part, I don't want to worry or manage the relationship....”* – ND01

group who decided to inherit family business and the group who decided startup their own business. Another group who decided not to inherit family business 70% rated 3 point and 30% rated 2 point.

This result shows that second generation group of people who decided to continue their family business and group that decided to do their own business have a greater sense of intimacy and have more communication with their families. For the second generation who decided not to inherit family business, most of them rated less intimacy. In their opinion, they consider the relationship in the family in the way that working with family members will affect the relationship.

#### **4.2 Goal and motivation that drive to work or do the business**

According to the interview, even participants have different background as mentioned above, the result shows a sequence of similar response. Most of the participants mentioned about money and security in life. Analyzed in the socioeconomic context, Thailand is a country where the welfare state is not favorable. Everyone has to work for a family, so it is no surprise that most people of this generation are pursuing security in property and life. By working, whether in your own business, for a private company, or in a family business, everyone is doing it in order to build a stable and prosperous of their family and their own life.

However, each group of participants was motivated to work differently. The first group would want to inherit the family business because they wanted to help their parents who are getting old. They feel regretful if the business that their parents have built for a long time discontinues thus want to maintain and develop the business to generate income for their families. The second group, who did not want to inherit the family business, was motivated to learn new things and thought that going to a private company would give them experience, broaden their horizons, and develop their potential. For the third group that built their own business, their main inspiration is to try and build their own business and do what they are interested in and passionate about.

## CHAPTER V

### CONCLUSION AND RECOMMENDATION

#### 5.1 Conclusion

The purpose of this study is to identify factors that influence Y Generation's decision to inherit family business and understand working motivations and goals that drive them to work or do the business. Based on findings from the empirical analysis, we found that inheritor considers five key factors when they make decision on family business inheritance. Those five major factors include;

**Table 5.1 Detailed description of dimensions in family business inheritance factors**

Factor	Description
Corporate attribute (A)	The level of business performance which compares to other competitors in the same industry by considering business traits and external factors that the family business is facing
Management concern (B)	Authoritative leadership and nature of decision making in family focused on authority in making decision in terms of business
Passion in business (C)	The type of family business matching with personal preference
Governance variables (D)	The proportion of shares and clarity in the allocation of benefits
Family Capital (E)	Intangible relationship in family structure especially between parents and child, and between sibling

However, the participants from each group interview prioritize five consideration factors differently from the highest to the lowest which would obtain as following;

The first group is individuals who decided to inherit family business



(A) > (B) > (D) > (C) > (E)

The second group is individuals who decided not to inherit family business

(A) > (C) > (E) > (D) > (B)

The third group is individuals who decided to startup their own business

(C) > (B) > (D) > (E) > (A)

The result of this study shows three different points from the previous study that mentioned in literature review, Jau Yang Liu 2018, studying family business sustainability by analyzing on key factors influencing family business from the perspective of Taiwan. Firstly, niche inheritance factor is absence. It is possible that this factor is not important in Thai context because many family businesses in Thailand hardly prepare the succession planning for transferring business to the next generation. Most of the first generation wants to pass the baton to inheritor but they barely have a clear plan or profile requirement of what is suitable for the business. Therefore, no one mentioned about niche inheritance factor in the interview. Secondly, there is an additional factor which is passion in business that is considered. Lastly, different context makes prioritization of five consideration factors different.

For working motivation and professional life goals that drives them to work or do the business, each group of participants was motivated to work differently. The first group would want to inherit the family business because they wanted to help their parents who are getting old. They feel regretful if the business that their parents have built for a long time discontinues. The second group, who did not want to inherit the family business, was motivated to learn new things and thought that going to a private company would give them experience and develop their potential. For the third group that built their own business, their main inspiration is to try and build their own business and do what they are interested in and passionate about.

However, all group shared the same common goals which is they work in order to build a stable and prosperous of their family and their own life.

## 5.2 Recommendation

From the data and analysis result that is found from interview, each individual has different preference and experience which lead to different way of making decision. The factors that are used to consider are not only diverse but require logical thinking and it is dynamic with consideration of change. When one factor changes, the other factors and prioritization will change accordingly. In order to understand each other both between first generation and second generation in business, and between parent and children, and even among siblings. It needs opened-conversation and opened-mind. It needs listener who listens to understand, not listen to answer. The outstanding family business achievement usually manage and balances those two systems in the middle.

For the first generation of family business in Thailand, this research provides a sample case of perspective of second generation. When they made decision on business inheritance, those are consideration factors that mattered for them. Therefore, when transferring the business to the next generation, first thing is to prepare inheritance plan. The plan will help clarify process of what need to be done, profile requirement, and creating understanding between two generations. Inheritance planning is a necessary process to be prepared even from childhood. The second is to allocate clear proportion of shares and benefits.

For second generation, firstly, it is necessary to arrange management meeting with the first generation at least every month or quarter to create an open area to share opinions, update progress of working, and discuss important topics. Secondly, no matter how small of the organization, all stakeholders need clear responsibility or position in the business to make clear working evaluation which can create a reliability of the inheritor. It is clear that you do not have to live in the shadow of the first generation. The global business is more complex and have more positive potential. It is better to focus on sustaining business and be a leader who helps and redefines family to learn to work and enjoy together.

### **5.3 Limitation**

This study certainly has some limitations. Firstly, it contains a small number of samples. As the study was conducted the interview 30 participants who is the second generation of family business but the way that people make decision is different. Therefore, researcher can gain deeper understanding whether it was a larger number of samples. Secondly, it uses only qualitative approach to gain an understanding or provide insights however quantitative methodology can be further used to measure and generate numerical data to formulate fact which covers some potential areas. Lastly, this study has limited time to collect data which qualitative approach is time-consuming.

### **5.4 Future Research**

This research aims to study the key factors that influence decision maker in family business inheritance and what are the motivations of working in professional life that drive to work or do the business focusing on group of Y generation, people born between 1979 to 1994 and second generation of family business and are currently in the point of making decision whether to inherit their family business or not. For future research, the study can be extended to various ways to fulfill the knowledge in family business. Firstly, it can be done by increasing the sample size. Increase in number of participants can create reliability of the answer. Secondly, quantitative method can be used to explore greater number of people to confirm the results. Lastly, the scope of research can be expanded by adding additional scope such as family business strategy and family business sustainability or compare factors of decision makers between two different generations in term of ages and business generations.

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**APPENDICES A: Interview questions**

Topic	Question
1. General aspect of family business	1.1 Have you ever work in your family business? And how long?
	1.2 Which part or position are you responsible for?
	1.3 How is your opinion about working with family business?
2. Main question about family business	<b>Family</b>
	2.1 Are you close with your family? If rating 1-5 (5 is the highest), how close do you think you are to your family?
	2.2 Does your family tend to let you make important decisions in life (Study, work, etc.) ?
	2.3 Do you think that not helping family run business is wrong or create bad feelings towards your parents?
	<b>Ownership</b>
	2.4 In your opinion, how important is family business to your generation?
	2.5 Do you think that you could help your business succeed more in the next five years? Why?
	2.6 What is your opinion on generation gap? Does it lead to any problem in running family business?
	2.7 Does your business have clear compensation for each family member?
	<b>Business</b>
2.8 What do you think about your Family business in the future? (growth or maintain or decline)	

Topic	Question
	2.9 Do you think you are important in being responsible for the family business? Why?
	2.10 What are factors that make your family business successful and sustain to next generation?
	2.11 In your opinion, what is the key success factors of family business?
	2.12 What is the common conflict that usually happens in your family business? How do your family resolve the conflict
	2.13 What do you think about your status/position in your business?
	2.14 How competitive is your business? (If rating 1-5 is the highest)
	2.15 Why do you decide to inherit or not to inherit your family business?
	2.16 What are the factors when you consider inheriting the business?
	2.17 Which factor is the most significant in your opinion? Why?
3. Personal motivation	3.1 What is your goal in your personal and professional life that drive you to work or do the business?
	3.2 What is your motivation in career?