

**CHALLENGES BETWEEN OLDER AND YOUNGER
GENERATIONS IN FAMILY BUSINESSES IN THAILAND**



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**CHALLENGES BETWEEN OLDER AND YOUNGER GENERATIONS IN
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FAMILY BUSINESSES IN THAILAND**

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ABSTRACT

The objective of this research is to find out the challenges or gaps experienced by different generations in their family-run businesses in order to understand the uniqueness of each generation and find ways to overcome or lower the gaps. The research is conducted by using interview method as well as probing technique with 10 interviewees, including 5 older generation and 5 younger generation who are the family business owners and their children, respectively. Following the interview, both generations met different challenges. Finally, it can be concluded that the older and younger generations are a good combination in the family businesses since they are strong in different things.

KEY WORDS: family businesses / generation gap / challenges / generation X /
generation Z

24 pages

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CHAPTER I

INTRODUCTION

In Thailand, approximately 80% of all businesses in the country are owned and controlled by families, and three-fourth of the businesses listed in the Stock Exchange of Thailand (SET) are counted as family businesses. According to the figures, it can be seen that family-owned businesses in the country are considered as a key driver or a backbone of the economy. They create a number of jobs and connect to the communities. Many of them constantly invest in human capital and expand to other sectors. In fact, family businesses are around us and vary in sizes. They can be local mom-and-pop stores, restaurants, hotels, manufacturing companies, and conglomerates.

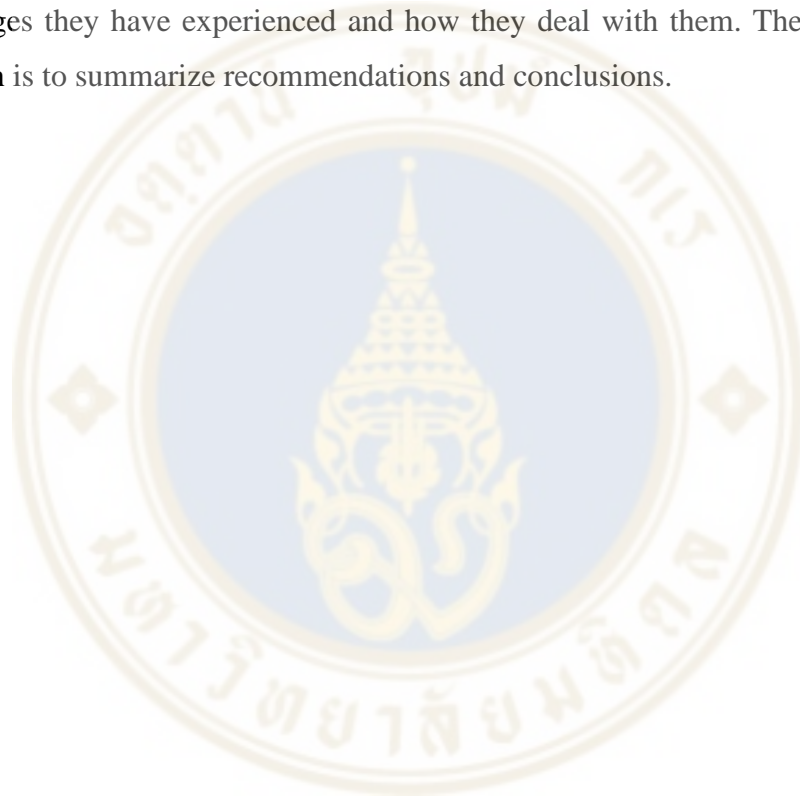
Starting or joining a family business has multiple advantages. For instance, running the business effectively can create stability for the family as well as the next generations in the future. Additionally, there can be high loyalty among the family members while working together which is very important for business success. Nevertheless, every business faces several difficulties. A family-owned business also has its own unique and complex challenges and risks. All family businesses are challenging, because families are about emotions and caring and businesses are about economics and performance (Carlock, 2013). Many family-run businesses have an informal culture and structure which can lead to a lack of clearly defined policies and strategies. Furthermore, when the business operates for a period and the owner would like to pass on the business to the next generation. They may find it difficult to decide who is going to be the successor. Meanwhile, the next generation also faces some difficulties when they join their own family business. Having multigenerational members has benefits such as rich experiences and productivity. It however also comes with some challenges.

This study concentrates on the challenges that each generation in family businesses found in order to understand the views from being old and young generations and find some useful recommendations. This topic comes from the author's personal

experience. As growing and currently working in a family business, multi generations in the business are sometimes difficult to deal with.

The context of this study focuses on what are the challenges between younger and older generations in family-owned businesses in Thailand. The two different generations from five businesses will be interviewed.

The paper begins with the literature review in which challenges of older and younger generations are mainly focused. After that, members in the different generations of three family businesses will be interviewed in order to find out what challenges they have experienced and how they deal with them. The last part of this research is to summarize recommendations and conclusions.



CHAPTER II

LITERATURE REVIEW

As cited in Magrelli et al. (2022), generations are a constitutive part of family businesses (e.g., Gersick et al., 1997; Miller et al., 2003), and family business scholars typically draw on intergenerational dynamics (i.e., relational dynamics involving individuals or groups of individuals belonging to two or more generations that interpret the past in different ways) to define this type of organization. A family business is considered as a family business when the owning family has the intention to transfer its vision across generations (Chua et al., 1999) and there is the next generation involved in the business (Cherchem, 2017; Salvato et al., 2019). Jaffe (2020) mentioned that the struggle across generations is being adjusted since the older generation no longer knows the best, and the next generation cannot just take over the business. “Whether it’s governance and how family leaders endure changes in the family enterprise, or agenda setting and leadership alignment, it’s important all generations talk early on what matters the most to them” (Gattiker-Ericsson, 2021). Governing the family business becomes more complicated when generational layers are added because each generation has a unique perspective towards the business (as cited in Nunnemacher). Following the Pwc, only 12% of family enterprises around the world can make it to the third generation, and only 1% make it to the fifth. The transition from one generation to the next is a very important point that can make or break the business.

In order to gain more understanding, the challenges between older and younger generations in family businesses will be explored in this chapter.

2.1 Differences in working style

Decision making

Jaffe (2020) explains that the younger and older generations in a family business tend to have different working styles and different visions of how they want

the business to be run. The senior generation of leaders are likely to make decisions based on their gut instincts. Meanwhile, the young generation of leaders are more collaborative and open to collective decision making. Sometimes, the new generation wants to see transparency and collaboration in the family business, but their parents or the older generation does not feel comfortable to do that. As cited in Sonfield and Lussier (2004), decision making is more centralized in first-generation family firms than in the later generation family firms. In addition, many new generation leaders feel that they want to adapt sustainability with the business, take care of the employees, and be responsible for the citizens and society. The older generation leaders, however, may not be ready to consider this point.

Leadership style

Jaffe and Grubman (2020) define that the successful leaders in generation two normally are a collective family oriented than the first-generation leaders who are more like a strong solo leader. Furthermore, in the 1980s and 1990s people used to work very hard and choose careers over spending time with family and friends. However, today many people turned the phrase from “work to live” to “live to work” as this is one of the characteristics of Gen X. It creates a balance, but also challenges. When work responsibilities are not the top priority, productivity can suffer (Green, 2011).

2.2 Different views on the family business in the future

Following Gattiker-Ericsson (2021), newer generation members realize the necessity for some changes such as digital transformation, professionalization, and sustainability. This divergence needs the understanding from every generation. Digitization poses major challenges for family businesses in particular because it must be brought into line with the specific characteristics of family businesses (as cited in Hastenteufel and Staub, 2019). The transition from one generation to the next offers great opportunities to advance digital transformation (Hille et al. 2016, 7), as the older generations make targeted use of the skills of the next generation. According to the pwc Next Gen Study (2014), 7% of next gens think their family business has a strategy that

already fits for the digital age. Meanwhile, 82% of next gens think innovation is key and 15% think their own firm has a clear plan (<https://www.cgroupinc.com>). The study also mentions that most of the young generation who decided to work in the family business would like to do something special and significant, and many of them have ideas for changing and growing the business. For instance, they want to launch new products, invest in new technology, use more social media marketing, and change how the business used to operate in the old generation.

Where next gens see their business in 5-10 years' time

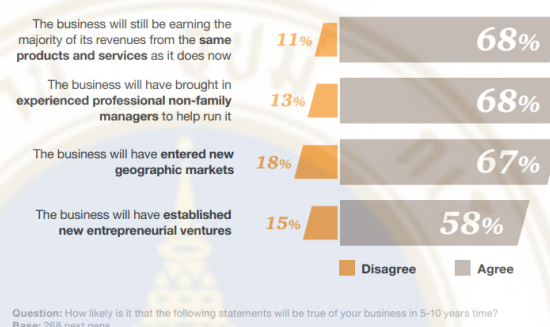


Figure 2.1 Where next gens see their business in 5-10 years' time (Pwc, 2016)

The figure above is according to Pwc's Great expectations The next generation of family business leaders. It surveyed 268 next gens about how likely it is that the following statements will be true of your business in 5-10 years time to find out where the next gens see their business in the future.

2.3 Technology gap between young and old generation

Following Evelina (2016), attitudes of the younger and older workers towards new technology are different. The younger people have grown up with technology and have the ability to try new solutions. They access smartphones, tablets and other personal devices, as well as using social media apps. The new generation people also expect to use technology to assist them in many work tasks. On the other hand, the older workers started to use technology after college and mainly used them at work. They personally do not depend on technology for entertainment, communication

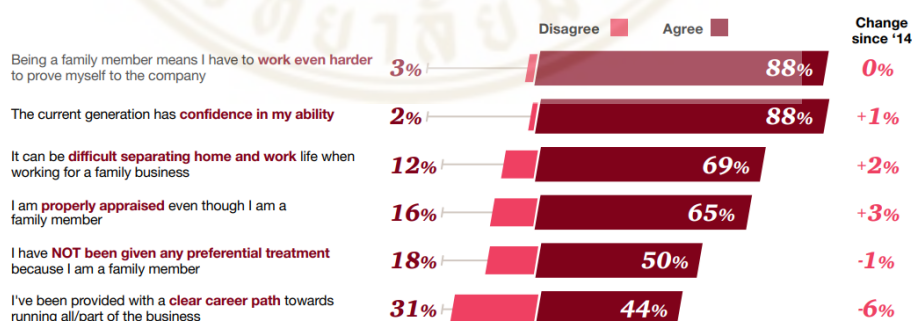
or social interactions as much as the young people. Therefore, the older people are less comfortable using new technology even though the technology is helpful.

Loten (2007) explains that compared to the younger entrepreneurs, old gen entrepreneurs give less interest in using the latest high-tech products and how to apply them, except they have high impact on the bottom line. While, the new generations are often worried about falling behind the competitors. Also, the younger entrepreneurs tend to be more pleased with new technology purchases, wireless devices, and mobile technology than the older ones. According to Regeneration (2016), family businesses are slow to apply new technology due to some reasons. In general, the family enterprises are more conservative than the other kinds of businesses.

2.4 Credibility gap

Chaudhury (2014) mentions that eighty percent of the younger generation says they must work harder in order to prove themselves with colleagues as well as customers. Meanwhile, some of them think that gaining respect from the employees is one of their biggest challenges. At the same time, the current generation is not always confident that the next generation is ready and has the ability to take over the business. Thus, some family firms decided to hire external CEOs.

How the next generation are treated in the family business



Question: How much do you agree or disagree with each statement on a scale of 1-5?
Base: 268 next gens

Figure 2.2 Great expectations The next generation of family business leaders (Pwc, 2016)

The figure above is according to Pwc's Great expectations The next generation of family business leaders. It surveyed 268 next gens about how the next generation are treated in the family business. Following the survey, most of the respondents agreed that being a family member means they have to work even harder to prove themselves to the company. Meanwhile, around 30% of them disagreed that they have been provided with a clear career path towards running all or part of the business.

Following the Pwc's next gen report, there is an interview from the third generation in a family business in Brazil who said, "It will be hard to lead my colleagues. Especially those who have been here for years. They will need to look at me in a different light." Also, Gavin Symes, Executive Director of Credit Repair Australia said, "One of the biggest challenges that I faced was earning the respect of other people. A lot of people might think 'You're only here because your dad's the boss', and while that might be true in terms of getting the job in the first place, once you're in the role you have to work three times harder than anybody else because the spotlight is always on you. And other people don't see the hours that we put in outside the office, they don't see us working weekends."

2.5 Preparation of the next generation

Jordi and José (2021) states that succession in family businesses is about to transfer leadership as well as control from one generation to the next, and it is one of the most important challenges. When the new family members control the company, some changes in strategy tend to occur. The different views between the founder of the family business and the successor will affect transformations and innovations of the company.

Following the Pwc Next Gen Survey (2019), the management power that the leader has to pass to the younger generation is a continual problem for many family businesses. Family-run companies must keep business goals and family goals balanced. This means to create family wealth as well as maintain family values that last for later generations. The great balance needs a smooth transition from generation to generation. Importantly, the heirs should have a deep understanding of their own business and be

ready to take responsibility for their role. The businesses should manage the succession several years in advance, the ideal time is five to seven years ahead (Chaudhury, 2014).

In conclusion, there are a number of challenges of being the young and old generation in a family business. For instance, the working styles of the two generations are different. The younger generation is more collaborative; meanwhile, the senior uses more gut. Moreover, the young entrepreneurs seem to give importance to work-life balance. The different generations also view the business in the future differently. Especially for the newer generation, they would like to invest more in technology and social media marketing in their family businesses. This can sometimes lead to a technology gap which is considered as another challenge. This is because the young people are more familiar with technology both in working and personal life, but the old generation might not use technology in their personal life. Besides, there is a gap in credibility when the heir or the new generation does not gain high credibility from employees and customers as the older generation. In addition, it is challenging, especially for the older generation about how to smoothly transfer the business to the next generation. All challenges mentioned earlier are summarized into the below diagram.

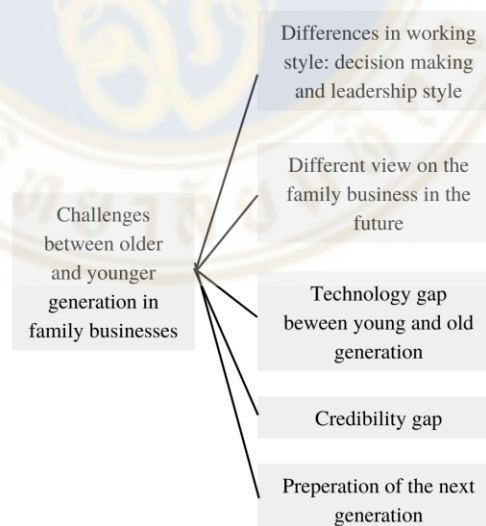


Figure 2.3 Challenges between older and younger generations in family businesses

CHAPTER III

RESEARCH METHODOLOGY

3.1 Primary Data Collection Method

The qualitative research method is used in this study in order to gain detailed information about the challenges between young and old generations in each family business.

3.2 Interview Method

Semi-structured interview is mainly used as this method encourages two-way communication as well as deep thought about the topic. All questions are not set in phrasing, but the interviewees will also be asked some probing questions. The interview method can lead to the collection of deep information. The selection of sample and list of the questions are as follow:

3.2.1 Sample selection

For this research, the interviews will be totally conducted with 10 interviewees who are working in their own family business in Thailand. The 10 interviewees are divided into 5 old generations and 5 young generations in order to compare the challenges.

3.2.2 Open-ended questions

In order to understand the challenges of young and old generations in family businesses, open-ended questions will be addressed to the interviewees.

Table 3.1 Open-ended question list

Question Categories	For younger generation	For older generation
Current position and motivation	1. What is your current role in the family business and how long have you worked in this position?	
	2. What was your motivation to work in the family business?	2. What was your motivation to start / work in the family business?
Challenges	3. How many generations are involved in your business?	
	4. What are the challenges of working with the older generation?	4. What are the challenges of working with the younger generation?
	5. Which of the challenges that you feel is hard to overcome the most?	
	6. How often do you and your family members in different generations have different opinions while working?	
	7. Overall, are you satisfied with working with different generations?	
		8. Do you have anything that would like the old generation to change?
Solutions and recommendations	9. How do you deal with the challenges?	
	10. What advice would you like to give to family-run businesses?	

3.2.3 Probing technique

Probing technique is applied to ensure the clarification and validity of the data and to deepen the information according to the replies of the interviewees.

3.2.4 Interview

The interviews are conducted by having a face-to-face conversation and online interview with the interviewees. In case it is the traditional interview, the location can be at the office of the interviewees or a coffee shop where they can feel comfortable. Regarding the online interview, the interview is done via Zoom. Besides the answers of the interviewees, their body language, tone of voice, facial expression, and gestures are also observed. Data is recorded by note-taking. Each interview took approximately 30 minutes to 1 hour, starting from introduction, open-ended and probing questions, as well as the summary.



CHAPTER IV

RESEARCH FINDINGS

After conducting the interview, all of the information is analyzed and summarized into four major topics which are the background of participants, motivation, challenges, and recommendations. Also, the obtained data is always divided into two groups: older generation and younger generation, respectively.

4.1 Background

Background of the interviewees and their family businesses such as what the business is and the generations getting involved are summarized in this section.

4.1.1 Interviewees' Business Background

The interviewees in the older generations are between 50 and 57 years old. This group of people can be considered as Generation X or Gen Xers. All of them have been working as an owner or founder in their businesses for more than ten years, and are currently working with the younger generations who are their sons or daughters. Two of the participants are Chinese and Thai restaurant owners. The others are owning a resort, a printing factory, and a construction equipment store.

The other group are the younger generations who are now joining their family businesses for one or two years after graduating. All are in the age between 24 and 25 years old, considered as Generation Z or Zoomers. The interviewees are the children of the older-generation interviewees.

The businesses of all interviewees are in small and medium sizes, operating in Thailand. The businesses of all interviewees started differently but include three generations. Both of the restaurants have similar backgrounds. They were originally started by the first generation. The second generation joined and expanded the business, one is under the same name and another one is under a different name. Currently, the

businesses are mainly being operated by the second and third generations. The printing factory and construction equipment store were founded by the first generation, and are now operating by the second and third generations as well.

The table below shows the information of all respondents. Every of them will be mentioned by their own codes.

Table 4.1 Information of the interviewees

Interviewee	Generation	Age	Gender	Business	Position	Working Experience
X1	Gen X	50	Female	Restaurant	Owner	20 years
X2	Gen X	52	Female	Restaurant	Owner	17 years
X3	Gen X	55	Female	Printing factory	Owner	25 years
X4	Gen X	55	Male	Construction equipment store	Owner	23 years
X5	Gen X	57	Male	Resort	Owner	20 years
Z1	Gen Z	24	Female	Restaurant	Marketing	1 year
Z2	Gen Z	24	Female	Restaurant	Manager	2 years
Z3	Gen Z	24	Female	Printing factory	Manager	2 years
Z4	Gen Z	25	Male	Construction equipment store	Manager	1 year
Z5	Gen Z	25	Male	Resort	Resort Manager	2 years

4.2 Motivation

Moving to this section, the motivation or the reasons why the interviewees decided to join or start their family businesses are demonstrated.

4.2.1 Motivation of the Older Generation

Two of the interviewees who are X1 and X2 used to work in their parents' businesses which were restaurants. As both of them helped their parents since they were young, they became more experienced with the business. When they grew up, they decided to build their own restaurants and have been running the businesses until today. On the one hand, the others just inherited the family businesses after the previous owners. Some of the interviewees are the oldest child; therefore, they felt that it is their responsibility to take care of the businesses after their parents. Following the interview, it can be noticed that every interviewee was familiar with their own family businesses before completely working in the businesses.

4.2.2 Motivation of the Younger Generation

It is found out that the motivation of the younger people is somewhat different from the older. First, some of the respondents are not as familiar with their family businesses as their parents' generation. To illustrate, they had never brought themselves in the businesses as much as their parents did, but just came to join the businesses after graduating. The reason is because people give more importance to higher education. After graduating from high school, most of the students enter the university, unlike in the parents' generation that many people chose to not go or had no chance to go for bachelor's degree. Z2 mentioned that "I had just a few chances helping my family businesses because most of the time I spent my life in Bangkok focusing on my study."

Z5 said that the reason why he immediately joins his family business in his hometown after graduating is because he does not like living in Bangkok. He mentioned that the traffic and weather in Bangkok are bad and the living expenses are much higher in his hometown. Meanwhile, another participant said she did not seriously work in her own family business; however, she used to do an internship that was related to the business. After graduating, she decided to go back to work in the family business and used her experience in her work. Additionally, the other participant gave the reason that she could not find a full-time job at any companies yet due to the pandemic and economy; therefore, working in the family business is a better choice than doing nothing.

4.3 Challenges

In this section, challenges that the interviewees in both generations mentioned during the interview are concluded below, starting from the challenges of the older generation working with the younger.

4.3.1 Challenges of Working with Younger Generation

Working style

The interviewees mentioned differently about the working styles between the two generations in their businesses. For example, X1 had an opinion that the younger generation did not endure as much as her generation did. She said that her daughter's working style is too casual and it led to indiscipline sometimes, and this might be because she did not build this business on her own but she is just a successor. "Everything is easier for the young people, they just took over what their parents had prepared. When I was young, working in the family business was a lot tougher", she added. On the one hand, X4 mentioned about his son's personality that he is very individualistic which is different from the interviewee, he considered himself as a collectivistic person or team player. He said that mostly his son seemed to not care to contribute to the family or employees, but just focused on his own tasks.

Leadership style

After the interview, the respondents did not find this as a challenge. Some of the respondents feel that the younger generation still does not have leadership skills enough due to their age and experience. For example, The way they talked to the employees was very casual. However, the interviewees believed that the leadership skills can be improved after working for a while. X1 said that she liked the way her daughter led the employees. "I didn't find it a challenge. My daughter often had open communication with the staff which is the way I always do as well. Luckily, both of us have similar leadership style. We encourage the staff to express their opinions. I think in the future she will gain more leadership skills."

Views on the business in the future

Most of the older generation said that they give a chance to the new generation to develop the family businesses. Overall, the respondents are quite flexible about how the businesses go in the future. “The young generation can help me grow the business and catch up on the new opportunities because there are some trends that I can’t follow or understand”, X1 said. Similarly, X5 also lets the young generation decide the family business in the future. He said however he is still running the business and gives advice to his son.

Technology gap

All of the participants in the old generation pointed to the challenge of using technology when they worked with the young generation. The challenge they found is the adaptation to new technology. Some of them disagreed with using a lot of new or advanced technology in their businesses, while some thought that they were too old to learn or keep up to.

“I see the necessity of using technology to improve my business, especially during the pandemic. It helps reduce human resources which is the issue I found right now, and increase the effectiveness of the work. My daughter used the POS system and QR code menu in the restaurant. At first, some employees and I were not familiar with them. After a month, we started to get used to the technology. My daughter likes to catch up with new technology. She is planning to use a kiosk in the restaurant. However, I still don’t want to use a lot of technology too much since the main target is local people. Many of them saw technology as a complicated thing.”, X1 talked about her attitude about using technology in her restaurant. Meanwhile, X5 expressed his opinion about the technology gap between him and the young generation, “I admit that technology is hard for me. I did not study at a high level and never worked in a corporation, so I did not have a lot of opportunities to use technology in my study or work. I am not even professional at using Facebook. Although there is a gap between me and my son when talking about technology and social media, it is a good thing that he tried to use some of those in our business. Now, he uses social media to promote the resort and talk to customers more. I think this is good.”

Preparation of the next generation

Most of the interviewees had similar answers about the next generation's preparation. Some of them did not consider this a challenge because the size of businesses is not large. The preparation is to let the younger generation work or get involved in the family businesses as much as possible in order to truly understand the work, get along with the employees, and be able to make decisions. The challenge point that some mentioned is time and motivation of the successor. The preparation must be planned in advance because it takes time.

X3, the owner of a printing factory said, "I do not have a clear process, but I think everyday working is the best preparation. When my daughter works, she will face a number of obstacles and challenges. This will help her to be prepared when she becomes the owner one day."

4.3.2 Challenges of Working with Older Generation

Working style

Following the interview, the younger generation has a different working style with the older. Most of the interviewees mentioned flexibility that the older generation has less than them. For instance, Z3 said that "my parents expected me to wake up early everyday and go to work at the office, but I think it isn't that necessary to have the same working hour at the same place every day. I think I can work whenever and wherever, and I want my parents to focus on the results more than the working hour." Additionally, there are some respondents such as Z1 who said about the work-life balance. She said that she took her parents as a role model for working hard. However, they seem to not have a good balance between work and life. The younger interviewee also said that her parents do not see the holidays and hanging out with friends as the important things. On the other hand, some younger interviewees did not feel that they and their parents' working styles are that different. Z5 respondent said that his father is flexible, and is quite open-minded, for example.

Technology gap

Most of the interviewees in the younger generation mentioned that they found some difficulties with the elders about technology learning, understanding, and

adaptation. For example, one of the younger interviewees said that his father did not understand how to use technology at all. One and only technology gadget that he uses is a smartphone which he started using a few years ago. Therefore, the interviewee said that it is quite hard for his father to learn and become familiar with the technology. Another interviewee said that her mother is very open-minded about using technology in business. However, the difficult thing is that it is hard for her mother to learn and use it agilely. She also found out that the difficulties are not only with her mother, but some employees in the same generation as well. One thing that all interviewees in the younger generation mentioned is that whether the older generation is open to the new technology or not, there is still a gap between them and the older. This is because the younger grew up with the technology, while the older did not.

Credibility gap

Some interviewees said that gaining credibility is one of their challenges. Z3 explained during the interview that she gained less credibility especially from the male employees because she looked like a young woman with little experience. The male employees did not really agree with what she said. Z5 also mentioned a similar point. Although he is male, he also got low credibility from employees in the beginning. He said the employees used to work with his father for several years before he got involved in the business. Hence, they were confident to work with the old generation rather than the younger one. He said it is not difficult to gain credibility or reliability from the workers, but it takes some time. "I finally got along with the employees after working for a while", he said. Nonetheless, Z1 had the gap with suppliers instead. They prefer discussing with the older generation since she is seen as a newcomer, so the suppliers believe that talking to the experienced one is easier.

Work-life boundaries

During the interview, there were three respondents: Z1, Z2 and Z4 talking about the separation of work and private life in the family businesses. They thought that their parents did not manage or clearly set the boundaries of family business and private life which can lead to the informal and unclear structure.

Z1 mentioned the Kongsu system in her business. The interviewee said that she did not agree with this system because it makes the business run unprofessionally. It is true that the Kongsu system is good if the family has a good management, but in fact it is really hard to manage because the family is fragile. Most of the time, the relationships between the members affected the work. She also added that sometimes the older generation gave priority to the family members' feelings to the effectiveness of the work.

Communication gap

Z2 pointed to the different communication styles between her and her mother. She said she tried to use logic when discussing, but her parent sometimes let the emotion get involved. She felt that many discussions were not as efficient as they should have been when talking about work with the family members.

4.4 The most difficult challenge

After discussing all the challenges that both generations have experienced, This part describes the challenges that they considered as the most difficult one.

Starting from the older generation, all of them mentioned technology as the most difficult one. Even though some of them are open to using technology in their businesses, they still have problems adjusting to it because of the unfamiliarity. Therefore, there is usually a big gap between the old and young generations. X5 said, "I found that technology is the most difficult thing when working with the younger generation. It really takes time to learn." X1 also thought that technology is challenging the most. She said, "As I mentioned, I am very open-minded to use the technology in the business. I also believe that it can enhance the operation. However, the challenging point when the younger generation tried to teach me. It is really hard to understand."

Moving to the younger generation, many of the interviewees also pointed to the technology as the most challenging one. Z3 said that she had to teach the older generation who are her parents and some employees several times before they understood. After that they started to forget again. On the other hand, Z1 mentioned the work-life boundaries are more challenging because she felt that some older generation

people resisted to change as they grew up with this system. So, they thought it is normal to not set clear boundaries.

4.5 The overall satisfaction of working with the different generation

This part shows the overall pictures of how much both generations are satisfied when working with the younger or older family members.

X1 said that it is better to have the younger generation getting involved in the family business. “I believe it is better to let the young generation work and propose ideas in the business. It’s normal that sometimes we have different opinions. It happens with the same generation as well”, X1 said. X5 also mentioned positively that he is satisfied working with his son. He said that actually the old and young generations are a good combination if both gens can overcome the challenges because the older generation is more experienced in the business, while the younger comes up with fresher ideas.

While, the younger interviewees also said that overall, they are satisfied working with their parents’ generation. Z1 mentioned it is not always challenging or difficult to work with the older generation. They are experienced in what they are doing; thus, she can ask for a number of suggestions.

CHAPTER V

RECOMMENDATIONS AND CONCLUSION

5.1 Recommendations

After the interview, there are four main recommendations that the family businesses should follow to reduce the challenges and gaps between two generations.

- keep an open mind

People in each generation grow up in different time periods; therefore, it is normal that they have some unique characteristics and different ways of thinking. In order to work in an intergenerational environment successfully, being open-minded to uniqueness is the very first thing to do. For instance, even though both generations have their own styles of working, they should be open to the difference, rather than seeing it as a bad thing.

- communicate often

The meetings are an opportunity for the family members to discuss and update their work or issues among each other. A lack of communication can lead to miscommunication and a difficulty in syncing the work. One of the most important things is that communications should be open and honest. The family can set family meetings for talking about the business on a regular basis. It can be weekly or monthly.

- meet somewhere in the middle

It is normal when different generations discuss and disagree with the other sides. However, life is about adjustment; thus, negotiating or compromising should be implemented to come up with win-win results.

For instance, if the younger generation suggested the older about the technology used in their business, but the older did not agree with. Both generations have to talk first before saying no. The younger generation might create a list of pros and cons of using technology.

- promote knowledge transfer

Every generation has their own strengths. In a family business, the older generation tends to have a lot of experience about the business, target customers, or the old employees. Meanwhile, the younger generation has fresher ideas, catches up with the current trends, and tries to see new opportunities for the business. Hence, the knowledge or skills that each generation has should be transferred. The more they exchange ideas, the better ideas they will get in order to develop the business.

5.2 Conclusion

As mentioned, the research question is the challenges between the older and younger generations in family businesses in Thailand. There are a number of challenges found in the literature review: differences in working style, different view on the business in the future, technology gap, credibility gap, and preparation of the next generation. The qualitative interview was conducted, and the interviewees included five older-generation SME owners and other five younger-generation interviewees who are their children. It can be concluded that the two generations have some different characteristics and think differently. For example, one of the respondents said the younger generation is more flexible. Nonetheless, due to the differences, both generations are important for the family business. The older generations who are experienced and the younger generations who bring new perspectives to the business can be a good combination.

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