



Family Business and Financial Performance: What is the Process of Transferring Management in the Context of Development?

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Abstract: This article focuses on the transfer of family businesses and in particular on the efficiency of its management transfer process. Drawing on the limitations of the literature and practices already existing in the European and American economic contexts, this research integrates the specificities of developing countries and more particularly those in sub-Saharan Africa where family communitarianism is more advanced. This assumption is tested on a sample of 52 Cameroonian family SMEs that have experienced a transfer of management. The methodology adopted consisted on the one hand in meeting the managers of the family SMEs transmitted, who on the one hand replied to a questionnaire and on the other hand were available for in-depth interviews. After analysing the information collected, we note that the cultural dimensions determine the configuration of the management transfer process and thus impact the performance of family SMEs after their transfer.

Keywords: family business – financial performance – transferring management – context of development

1. INTRODUCTION

The transmission phenomenon and the performance of family SMEs strongly developed independently of the literature on enterprises. However, interest in transmission dates back to the studies of Weber (1947) and Christensen (1953) and its development intensifies in the 1980s with the studies of case studies of enterprises. In parallel, studies on performance have evolved since the pioneering study of Drucker (1954), Chandler (1962) on enterprises. It presently constitutes one of the themes that have raised a lot of attention from researchers in management control for several years (Bergeron, 2000).

Despite the development of the two concepts very few studies have examined the relation between performance and the configuration of the managerial transmission process (Bocatto, Gispert, and Rialp, 2010). Almost all the studies resulting from the analytical model of Burkart, Panunzi, and Shleifer, (2003). It concerns American economies (Anderson and Reeb, 2003; Villalonga, 2008), European (Bocatto, Gispert and Rialp, 2010; Pindado, Requejo and de la Torre 2014) and Asiatique (Yoo, Schenkel, and Kim, 2014) where the market is active. It is based exclusively on quoted managerial enterprises and orientate towards the pre-transmission phase; but the area of SME remained unexploited. In particular, none of these authors treats the case of family SMEs which evolve in a specific context where the personality of the manager is related to performance and the context. This study fills this gap and presents the results of a study of the impact of the configuration of the process of transmission of management and the cultural factors on the performance of family SMEs after their transmission.

With the aim of bringing a response to our questions, it is adopted a dual methodological approach. From a sample of 52 family SMEs which experienced a transmission of management having financial data from 2003 to 2010, we administered a questionnaire to actors on the field who are managers of transmitted family SMEs which on one hand have responded to a questionnaire and on the other hand where available for the interview. After analysis of information collected, the study enabled the validation of the hypotheses on the impact of socio-cultural variables and the configuration of the

transmission process on the post-transmission performance. Our study also enables us to highlight other influential variables such as: polygamy, customary laws governing the transmission, initiation rituals, Islamic education which strongly contributes to the follow up of these enterprises.

This study is articulated around three angles. The first angle enables to clarify the transmission mechanism of family SMEs and performance around the corporate theory. The second presents the methodological elements and the results obtained. Finally, we compare our results with literature and present a conclusion showing the managerial implications and the major limits of our study.

2. TRANSMISSION OF MANAGEMENT AND PERFORMANCE OF FAMILY SMES AFTER TRANSMISSION : THEORETICAL APPROCH AND EMPIRICAL RESULTS

Since the study of Adam Smith (1796), several studies have been developed in management concerning the separation of management and ownership. Jensen and Meckling (1976) conceive the firm as a legal fiction that serves as a place for complex equilibrium processes between the conflicting objectives of individuals within the framework of a conflicting relationship. However, the agency theory concerned large companies with diverse capital. Even though several studies indicate a weak exposure of family firms to agency cost (Daily and Dollinger, 1993, Fama and Jensen, 1983), it is used to analyse managerial behaviour (Giambatista, Rowe and Riaz, 2005) and seems to better explain the phenomenon of transmission of management in large firms. Within the framework of family SMEs the topic of transmission is a complex event due to the conciliation of the family, the enterprise and management.

From this point of view Lansberg (1988), Davis and Taguiri (1989) got inspiration from the system theory and developed a model linking the interactions family-ownership-management. In 1999, Mc Craken integrates the different categories of intervention in this sub system. This model is a tool that enables to understand the different interfaces of the components of the family enterprise and to better circumscribe the variables inherent for its analysis. Each perspective is important is important to understand the whole family enterprise system and highlight the fact that inside this system, points of view will differ naturally between the different persons involved (Kenyon-Rouvinez and Ward, 2004). Thus, the vision of the enterprises becomes dynamic with time since the founding family can focus its long term strategy on the transmission process (Carlock and Ward, 2001) so as to define its strategy (Davis and Harveston, 1998).

Moreover, the family SME is a specific type of enterprise that associates family, enterprise and management and varies according to the context. This makes enterprises to be prisoners of a complex cultural framework that is highly turbulent (Kombou and Feudjio, 2007) and an advanced family dimension. In order to analyse the transmission process of this type of SME, it is necessary to examine the cultural and organisational specificities of the management of this type of enterprise, since the performance of enterprises shows the adequacy between the elements of its internal and external environment (Rouleau, 2007; Togodo, 2011). In this case only a study through the contingency approach will lead to the understanding of this phenomenon in our environment.

However, literature on enterprises presents several criticisms of the contingent approach in management control. Child (1972), is against the strategic choice defined by contingency theory. Crozier and Friedberg (1977), corroborate that contingency opposes classicism and joins the university through the principle of « one best way ». Aldrich (1979), denounces the doubtful pertinence of the contingency theory. Mintzberg (1982), Miller (1996), are interested in the vague and abstract aspects of the environment. Desreumeaux, (1992) is against the idea that organisational structure is explained by its function and its consequences on the efficiency of the organisation.

Despite the criticism of this approach, it remains more or less important since a family enterprise remains a family enterprise only when the family maintains its influence on ownership and management (Begin, Chabaud and Richomme-Huet, 2010) thus the interest on the presence of witnesses (Debicki and al., 2009) for the sustainability of its activities. The study of the transmission of family SMEs and performance is based on the following reasons: the success or failure of family enterprises depends on their interaction with their contextual environment.

In addition to contingency and its limits, we consider the agency perspective and the ‘ ‘model of three circles’ ’ (Lansberg,1988, Davis and Taguiri,1989) to analyse the literature on the effect of

transmission on performance of family SMEs transmitted. It enables us to identify to what extent conceive the process of transmission and the cultural factors that can affect financial performance of family SMEs after transmission.

2.1. Impact of the Characteristics of Transmission of Management on Performance

In corporate literature, the succession model and performance reveal two aspects: theoretical model and empirical model.

According to the theoretical model, we have chosen the succession model of Burkhart et al. (2003). This model highlights a new stage in the analysis of the transmission of management in family enterprises. In fact, it extends this definition to that which nominates an external manager thus creating two forms of family enterprises (Charlier, and Lambert, 2009). The model is based on an enterprise whose capital belongs entirely to its founder. At a given point in time he decides to leave his enterprises by deciding between employing a professional manager, a family member or allow the shares on the stock exchange. He uses a utility maximisation function by demonstrating in an Anglo-Saxon context where the mechanisms of control are strong that succession via professional successors would be more performing for family enterprises and between these two extremes, the recruitment of an external manager is followed by the maintenance of a large proportion of voting rights in the family so as to monitor this manager. In the case where control mechanisms are weak and almost inexistent, the family successor is given privilege. This is the case in developing and underdeveloped countries. This type of behaviour can be explained using the agency theory. Based on this theoretical model, several studies were carried out in different contexts by developing empirical models.

According to the empirical model, the problem of management transfer and performance is focused in most cases on large enterprises with diverse capital and use market indicators and in most cases they use market indicators. Thus, several empirical studies were carried out in order to test the hypothesis that the succession of the manager has an impact on performance. Two main angles of studies are an essential part of the literature on the relation between managerial succession and the performance of the enterprise. The first angle is interested in the observation of succession; the second discusses the type of succession.

Following the first path, Anderson and Reeb (2003) showed that large family enterprises managed by heirs have similar performances to those managed by the founders and that enterprises in which the family is directly involved in management perform better than those with diversified stocks or securities. According to Mazzola, Marchisio and Astrachan (2008) the members of the family are more productive in a successful succession process. According to Schulze, Lubatkin, Dino and Buchholtz (2001), the preservation of management in the family is to the detriment of performance.

And following the second angle, Sraer and Thesmar (2004) showed that family firms managed by heirs did not perform better than those transmitted to external stakeholders. Barth, Gulbrandsen, and Schønea, (2005) analysed the relation between ownership and productivity and conclude on the superiority of performance measured by the productivity of enterprises managed by professionals. Villalonga and Amit, (2006) using a sample of 500 American firms conclude that succession by an heir leads to the deterioration of performance. Charlier and Lambert (2009) show that family firms Controlled and managed by the family perform less than the other two forms of family governance.

H1: The design of process management transfer in family SMEs have a positive performance

2.2. Impact of Socio-Cultural Factors Related to the Family on the Performance of Family Smes after the Transfer of Management

Culture is a complex set of issues which include knowledge, believes, art, morals, law, customs and any other capacity and habit acquired by man as a member of the society (Taylor, 1991). Values are also an important characteristic of culture and cultural specificities (Schwartz and Bardi, 2001). In a family enterprise, values are recognised as the basis of the family culture and organisational culture (Vallejo, 2008). The role of cultural effects on the affairs of the family is not only manifested by the characteristics of the family, but also by attitudes and believes of the external environment in which they live (Aldrich and Cliff, 2003). The cultural variable is an important factor in the explanation of management in Africa, has an influence on post-succession performance since culture is related to the

context of the study. Within the framework of family SMEs, corporate culture is very complex due to the presence of the interaction family-enterprise-management since the priority of one is not that of the other. In this context transmission is more delicate since there are internal and external problems to be solved.

The transmission of family SMEs concerns succession and predecessors, the professional reality of members of an organisation as well as the individual characteristics of these actors. The family in a context of a family firm is primordial. According to Handle (1991), the interaction between members of the family is an important factor of transmission. In fact, it defines the quality of the relationship among the members of the family and the type of relationship within the working environment. Succession has to be adapted to the context in which the enterprise evolves so as to take into account the fundamental aspects of the social milieu, the geographical position of the enterprise (national and regional culture); individual characteristics of its managers; the professional reality of members of the organization (professional culture). Planning is fundamental in the success of succession. It has to take into account all the stakeholders and not only assure management continuity. Taking all these elements into account is primordial for the realisation of a transmission culture in family SME in Cameroon.

H2: Cultural factors have a positive influence on the post-succession performance of family SMEs

3. THE METHODOLOGICAL FRAMEWORK OF THE STUDY

The aim of this study is to identify the cultural factors related to the family and the nature of the transmission process of family SME so as to show their importance on post-succession performance. The complex nature of our research objective and the identification of general solutions adapted to the problems of transmission (Van Caillie and Crutzen, 2010; Abbo, 2016) leads us to a sequential mixed approach followed by a qualitative approach to complement (Corbière and Larivière, 2014).

3.1. The Quantitative Phase

The data used in this study are on one hand from Financial and Statistical Declarations (FSD) collected annually by the National Institute of Statistics (NIS) and on the other hand questionnaires administered during face to face interviews with managers of family SME that have had a transfer of management. Out of 320 questionnaires, we obtained 52 questionnaires which can be exploited giving a response rate of 16.25%. Even though it is relatively weak this rate is similar to other empirical studies on family firms published in scientific journals (Kenyon-Rouvinez and Gallo, 2004; Jorissen et al., (2005). This rate is explained by the fact that most family firms of ours ample are SMEs and their managers are reticent in responding to questionnaires for University research because of the sensitive nature of the information.

The data from this study was analysed using the multiple regression method, used as an approach to demonstrate the cause-effect relation between an instigating factor and a change of state. It enables us to identify the determinants of financial performance in family SME after the transfer of management. These determinants are identifies with the help of the following model:

$$Perf_E = \alpha + \beta_1(nature) + \beta_2(reason) + \beta_3(Planning) + \beta_4(culture) + \beta_5(age) + \beta_6(sex) + \beta_7(level\ of\ education) + \beta_8(apparition\ of\ conflicts) + \beta_9(contact\ client) + \beta_{10}(contact\ suppliers) + \varepsilon_i$$

Where y is a performance variable retained (continuous quantitative variable), β_n is the set of explanatory variables retained and ε is the error term. The objective of the model is to explain the levels of post-transmission financial performance from the explanatory variables retained. Moreover, efforts are made to delimit the post-transmission period. It shall be distinguished for each ratio of performance, three years after transmission. In each case N+1, N+2 and N+3 respectively distinguish year's one, two and three after transmission. The estimation is realised using the ordinal least square methods. We tested the general econometric model for the different indicators of performance retained and the explanatory variables.

3.2. The Qualitative Phase

The sample of the study enabled to identify 5 groups of family SMEs. Our choice took into account the geographical situation of the family SMEs transmitted. This principle enabled us to choose the large cultural groups of Cameroon namely the North, the South, the Littoral and West. Thus, our choice was based on SMEs 1, 2, 3, 4, 5 with the aim of being anonymous and confidential; the names of the enterprises were changed. These groups are the cases to be studied with the aim of further explaining the variables that characterise transmission with the aim of understanding its nature.

The method of data collection retained is a semi-direct interview for further studies (Yin, 2013; Corbière and Larivière, 2014). The successor managers of each case are required to freely answer questions on the variables that characterise the passage of managerial witnesses. As for the conduct of the interview, in conformity to the principles of construction of a centred interview a structured interview guide is used to collect information necessary for the realisation of case studies

In order to better take into account the realities of the transmitted family SMEs, we proceed by an analysis of the content through the technique of analysis by theme given its importance in the treatment of interview (Corbière and Larivière, 2014). It is based on the reduction of the content used so as to give meaning to the interpretations of the factors that influence the successor manager of family SME (Miles and Huberman, 2003). All the data is transcribed then a code is attributed to the information. These codifications are preliminary to the relations and inter data significance in a form that can easily be analysed (Miles and Huberman, 2003; Corbière and Larivière, 2014).

4. RESULTS OF THE STUDY

With the aim of answering to our research question, we present the results in two stages. First, the results of the quantitative analysis then the results of the qualitative approach in a complementary approach.

4.1. The Results of the Quantitative Approach

The results of the quantitative analysis are presented in two parts; the first presents the descriptive results of the endogenous and exogenous variables and the second the econometric modelling.

As for endogenous variables one can in fact notice that the ROS ratio is a positive mean (26.207) one year after succession, but deteriorates to the point of becoming negative as from the second year (-4.683). This result is somehow contrasted by the weak variability of this ratio the third year after succession (-0.560). However, the EBIT ratio becomes negative in the second year after succession before becoming positive the following year (0.059; -0.110; 0.102).

Table1: *Descriptive Statistics - Commercial and Managerial Performance Ratios*

Ratios Year		Observations	Means	Standard Deviation	Min.	Max.
ROS	N+1	52	26.207	162.025	-128.158	964.696
	N+2	38	-4.683	97.325	-760.123	235.005
	N+3	32	-0.980	2.986	-19.957	0.965
EBIT	N+1	52	0.059	0.124	-0.348	0.348
	N+2	38	-0.110	1.111	-6.730	0.362
	N+3	32	0.102	0.161	-0.155	0.778

Source: Author from the survey

It is observed from the exogenous variables that 46.15% of the enterprises retained in the sample one year after succession experienced a family succession. This ratio is 19.23% for enterprises with an external succession and 34.62% for internal succession. This repartition is almost the same for enterprises retained in the sample of two years after succession. The proportions are respectively 44.73%, 23.68% and 31.57% for external and internal family successions respectively. As for the motives of the departure of the manager, the causes are the most expected as concerns management transfer in enterprises. It is observed that 51.92% have an involuntary (illness, death) departure as against 17.35 voluntary departures.

It is the same with the description of the succession planning in the enterprise. In fact, it is noticed that 63.46% of enterprises of the first category of sample succession was planned. In 36.54% on the

contrary it was not the case. The repartition is almost identical for the other two categories of samples. 65.78% of the enterprises as against 34.22% plan succession in group N+2. These proportions are 55.17% and 44.83% in group N+3.

As for socio-economic variables, it is culture that represents by more than 50% during the next three years after succession followed by religion at 39%. For successors who remained in contact with customers, suppliers have very high percentages. Concerning age, most successors are between 41 and 50 years and represent 50% of our sample and 50% have a university education, followed by professional education. Thus, there is the will to study.

The importance of the previous descriptive study establishing the repartition of the sample following the dependent variable and the explanatory variables, resides in the fact that it is in prelude to the economic analysis that will try to establish causal relations that enable to better understand and explain the economic results.

Multiple regressions were carried out so as to explain the post-transmission performance of management from the ratios (ROS, EBIT) from the elements of the configuration of the process of transmission of management and socio-cultural links to the family and to the context (mostly qualitative variables with at least two modalities).

The tests carried out on the characteristics of the transmission of family SME and managerial and commercial performance, shows a statistically significant influence for the ratio ROS from the third year after succession at a threshold of 5% and $R^2 = 0,8797$. As for the EBIT ratio, the three models are not generally significant. However the adjustment coefficients remain appreciable in the explanation of the levels of performance of enterprises and indicate that the contribution of explanatory variables is not negligible in the explanation of the level of performance of enterprises according to the EBIT indicator.

Concerning the significance of individual variables, generally the study shows the importance of socio-cultural factors related to the family. Customs and religions influence performance positively as from N+1 after transmission of management at a threshold of 5% and 1% for the ROS ratio. However, the age of the successor is statistically significant at the 10% threshold in the first year for those under 30 years of age and at the 1% threshold from the second year for those between 41 and 50 years of age. Similarly, with regard to the level of education, the professional is statistically significant at the 1% threshold. This suggests that work experience has an effect on the total return on assets. In addition, customer relationships after succession are a very important variable. They are statistically significant from the second year of succession at the 5% and 1% threshold respectively.

Cultural orientation represented by values for the EBIT ratio at a threshold of 1%. This led us to believe in the importance of this factor in the context of transmission in family SME after transmission of management. In addition, successors who have kept contracts with clients register a significant performance irrespective of the indicator at a threshold of 1% as from the second year thus the importance given to stakeholders.

Table2: results of the performance and transmission characteristics

Variables	ROS n+1	ROS n+2	ROS n+3	EBIT n+1	EBIT n+2	EBIT n+3
Nature of succession (Internal)						
Family	-0.007 (-0.009)	0.039 (0.300)	0.280 (0.358)	0.055 (0.152)	1.191** (34.028)	0.208 (1.341)
External	-0.012 (-0.022)	136.235 (495.351)	0.428 (4.115)	0.091 (0.627)	1.344** (38.400)	0.16 (0.017)
Reason for departure of predecessor (other)						
Death	-0.008 (-0.237)	-46.267 (-75.100)	0.005 (-0.094)	0.072 (0.001)	-0.221 (-0.284)	-0.127 (-0.234)
Retirement	0.066 (0.121)	0.031 (0.061)	2.961 (55.867)	0.040 (0.063)	-1.326* (-14.258)	-0.207 (-0.608)
Illness	0.061 (0.143)	-222.320 (-469.251)	-0.692 (-1.158)	-0.003 (-0.003)	-0.317 (-0.536)	-0.217 (-1.205)
Planning succession (Unplanned Succession)						
Planified	-0.058	0.005	0.430	-0.091	-0.332	-0.087

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Succession	(-0.126)	(0.010)	(1.11)	(0.91)	(-0.063)	(-0.185)
Factors affecting succession (Values)						
Religion	-0.065 (-1.692)	0.163* (1.108)	-1.170 (-7.528)	-0.052 (-0.109)	-0.504 (-1.081)	0.012 (0.012)
Customs	2.020 (7.399)	0.061** (0.356)	3.442 (22.496)	-0.006 (-0.006)	-0.254 (-0.376)	-0.016 (-0.017)
Beliefs	-1.117 (-20.047)	0.414 (0.515)	0.604 (1.366)	-0.061 (-0.180)	-1.147* (-22.057)	-0.046 (-0.060)
Age of successor (More than 50 year)						
Less 30 years	-10.030 (-7.304)	0.087** (3.222)	5.965 (26.869)	0.027 (0.036)	0.446 (0.663)	-0.171 (0.257)
30 to 40 ans	-0.637 (-27.695)	95.623 (119.024)	0.263 (1.193)	-0.050 (-0.087)	1.733* (32.092)	-0.179 (-0.257)
41 to 50 ans	0.079 (0.110)	295.225*** (9643.181)	3.365** (96.691)	0.046 (0.086)	1.348* (1.982)	-0.197 (-0.621)
Gender of successor (Female)						
Male	0.991 (1.708)	-8.445 (-57.448)	-0.117 (-0.154)	0.066 (0.272)	-0.010 (-0.010)	-0.018 (-0.019)
Education level of successor (University)						
No level	0.058 (0.151)	11.937 (10.398)	0.623 (2.685)	0.046 (0.076)	1.181 (4.880)	-0.011 (-0.011)
Secondary	0.087** (3.222)	-85.225 (-643.181)	-4.235 (-13.930)	0.103 (0.417)	1.518* (24.095)	-0.095 (-0.145)
Professional	161.00 (696.969)	3.076** (503.628)	1.116 (12.022)	0.011 (0.012)	-0.619 (1.887)	0.042 (0.049)
Appearance of a conflict after succession (No)						
Yes	-0.023 (-0.027)	-2.698 (12.66)	4.816 (22.610)	0.015 (0.019)	-0.125 (0.157)	0.021 (0.024)
Contact of successor with clients (No)						
Yes	-0.098 (0.142)	20.654** (10.334)	0.413*** (7.816)	0.028 (0.034)	0.003 (0.003)	0.041 (0.047)
Contact of successor with suppliers (No)						
Yes	0.055 (0.117)	-0.654 (-0.690)	7.54 (24.01)	0.063 (0.272)	-0.744 (4.27)	0.154 (0.523)
Number of observations	52	38	32	52	38	32
Fisher	F(19.32)=0.0049	F(19.18)=1.00059	F(19.9)=30.0005	F(19.32)=1.00005	F(19.18)=0.0000	F(19.9)=3.40006
Prob > F	0.0444	0.3585	0.0304	0.0509	0.03581	0.0304
R-Squared						

Source: author based on sample data and STATA 12. Standard deviation in brackets; * (**) /*** / indicate significance at 10% (5%) /1%

4.2. The Results According to the Qualitative Approach

The transmission of management slows down not only the configuration of the process but also the cultural factors related to the environment. In fact, these elements are found in all cases through the relation between the engaged actors, the elements related to the social context, the factors related to the process.

Table3: Summary description of cases

Characteristic	Case 1	Case 2	Case 3	Case 4	Case 5
Date of transmission	2005	2007	2009	2007	2010
Nature activity	Secondary	Tertiary	Primary	Secondary	Primary
Number of employees	50	62	21	32	29

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Control	Corporate board	family council	family council	family council	Corporate board
Nature of succession	Internal (family) 1st son	External (professional)	Internal (family) 4th son	Internal (family) 1st son	Internal (company) Former executives
Reason for departure of predecessor	Involuntary (illness)	Voluntary (poor results)	Involuntary (accident)	Involuntary (illness)	Involuntary (death)
Family Status	Monogamy	Polygamy	Polygamy	Polygamy	Monogamy
Family involvement in management	Yes	No	Yes	Yes	Yes
Planning	No	No	No	Yes	Yes
Socio-cultural value	Religion (Islam)	Custom	Custom and Belief	Culture	Custom and local religion
Successor involvement in management	Yes	-	No	Yes	Yes
Successor Age	30	39	26	22	46
Training	Secondary (Franco-Arabic)	University (economics)	Student (agronomy)	Secondary	University (management)
Further training	Management	MBA	Vacation Internship	Formation dans le tas	Employer training seminar
Objective after transmission	Perpetuate family culture, evolution of the result	Increase in profits	Maintaining family culture	Family know-how	Dividend increase, family cultures
Predecessor characteristics	58 years old, did not go to Western school (Koranic school) Never wanted to pass the hand	68 years old, secondary, present within the company	72 years old, did not attend (initiation rites) Never wanted to pass the hand	62 years old, did not attend (field training), Never wanted to pass the hand	59 years old, primary, never retire

Concerning the relationship between the engaged actors, all the cases highlight the fact that the successors are males with a level of education as concerns their belonging to the family. Moreover, in the complementary type of training that dominates is management. These successors are usually university products with the exception of case 2 and 3, the successor is involved in management in the financial services. It is case 1 that has worked as a cashier and case 4 in the administrative and financial services. Finally, the predecessors are male and most do not have western education. Case 1 went to the Coranique School whereas others received initiation training in their clan (case 3). Case 2 has a secondary level of education and case 5 a primary level of education. On the job training is the level of education of case 4.

The analysis of the social context exposes the socio-cultural factors linked to the family and the national framework in transmitted family SMEs. The influence of the family on management is almost present in cases (1, 3, 4, and 5) but not in case 2. Most entrepreneurs who have succeeded are in most of the cases (case 2, 3, 4) polygamists with the exception of case 1 and 5. This status is a source of conflict in the case of a passage of witness between brothers and sisters that is not voluntary, different spouses and the family. In most of the cases, the widow cannot inherit the enterprises irrespective of the role that it played during the life of the founder even when all the predecessors are death (case 50). Girls are the first followed by brothers of the diseased. However, the law and the indigenous customs exclude women. This situation is linked to the customs of each people that define it (case 2 and 3). In fact, Socio-cultural factors are found in all cases (1, 2, 3, 4, and 5) through culture, religion, the customs and beliefs. These factors intervene in a national context that has its laws and its historic and colonial past.

The third angle, concerns the context of the transmission, the predecessors have difficulty of handing over in all the cases studied. They generally die while still on duty or forced to leave unwillingly because of illness (hypertension, cardio vascular diseases, diabetic's etc.). This characteristic of predecessors is from cases 1, 2, 3, 4, 5. Moreover, the method of succession in most of the cases (1, 3, and 4) is that of an heir from the family of the founder. Case 1 is an internal succession and case 5 involves transmission to a former official of the SME. In fact, in most African cultures, the first male child is supposed to automatically be the heir thus lacks interest in the handover plan.

5. DISCUSSION OF QUANTITATIVE AND QUALITATIVE RESULTS OF THE STUDY

A summary of all the results is done by integration of the qualitative results that have enabled to understand some quantitative results with the aim of complementing them. This approach enables the restitution the transmissions in their socio-cultural and specific institutional context due to its entrenchment in a community that influences and moulds them (Aldrich and cliff, 2003; Steir, Chua and Chrisman, 2009). It is presented in two stages: the first concerns planning from the operational and the second the fundamental that is made up of socio-cultural values.

As concerns the operational, the configuration of the process concerns the absence of a long term plan. Most founders never give priority to the necessity of preparing an acceptable successor for their retirement. They consider that they always have many years to live in good health. Planning is like programming one's own death since the first male child is supposed to be automatically the successor. This excludes any will to prepare a handover plan. In fact, the literature on planning (Sharma, Chua et Chrisman, 1999; Seymour, 1993) highlight its very low consideration by predecessors who see the continuity of their SME within the family. On the contrary, informal planning is present in the subtlety of the family system. It adheres to Sharma, Chua and Chrisman (2003), so as to globally understand the phenomenon with regards to all the activities leading to the harmony and continuity of the next generation (Lansberg, 1988). This is translated in our qualitative results by the influence of the family system and concerns the training of the successors. The activities relative to the education of the successor concern long studies (Goldberg, 1996 ; Morris et al., 1997) and experience acquired out of the enterprise (Barach and Gantisky, 1995 ; Ward, 1987). This approach is completed by the absence of an academic training by the family successor, but received religious training at the Koranic School for some and initiation to values and norms of the community for others. Since these factors are particularly crucial for their success, it is necessary for the founders to put in place measures to formalise the activities of informal planning that dominates in the complex family sub-system.

Also the qualitative results enabled to bring new results. On the fundamental, the most remarkable cultural practices concern socio-cultural variables related to the family. There is polygamy which involves having several legitimate spouses, customary laws regulating transmission, initiation rituals, Islamic education in Koranic schools and the local religion. Contrary to religion, that constitutes a primary factor that enables to understand a society (Greif, 1994), these contextual elements also react on the configuration of the process and were incorporated into the values. However, these leave indelible marks in the values of the family and affect their behaviour. Nevertheless, most of the cases studies (2, 3, and 4) implies polygamous founders. But there are some cases (1, 5) where the enterprises have survived the withdrawal of the successors. However, polygamy increases the number of stakeholders in transmission and can be a source of conflict because of the rivalry between brothers and sisters of different spouses and the family (Ukaegbu, 2003). It is therefore premature to think that culture of polygamy is a prejudice to the configuration of the transmission process of the enterprise and influences performance. After everything, conflicts on heritage and transmission are equally frequent in monogamous societies of developed countries.

Globally, the combination of the results of the mixed sequential study leads to the conclusion that it is culture through its practices and its orientation that determines the configuration of the transmission process of management and thus affects financial performance of family SME after transmission.

6. CONCLUSION, MANAGERIAL IMPLICATIONS AND LIMITS

The research objective was to study the impact of cultural factors and the design of the transmission process on the performance of family SME in Cameroon after the transmission of management. In fact, since the seminal studies of Longenecker and Schoen (1978) which place socialisation of the

successor at the centre of the process of transmission of management, Hugron (1993) put in place a model defining the configuration of the process in stages just as Handler (1990) et de Hugron (1991). All these models elaborated in the American and European context have had relative success in their application to family SME. In African countries characterised by the co-existence of the traditional and modern society, the family enterprise still occupies a relatively important place than purely capitalist societies of developed countries, thus the necessity of taking into account the environment in the success of transmission.

Our results show that family SME have to adopt an approach taking into account the variables that characterise transmission of management and its effects on performance in its cultural and institutional context. This is done by the putting in place of an original configuration of its process by integrating cultural dimensions through cultural orientations and practices related to the family that can influence performance of family SME transmitted. Given this structuring the combined effects of socio-cultural factors related to the family as fundamental will determine the design of the process and consequently complement the explanation on the state of performance after succession of management. Moreover, The African culture has specificities which far from being a hindrance can constitute leverage for the success of transmission (Kombou and Feudjo, 2007).

Nevertheless, this study offers practical managerial solutions to all the stakeholders of the family SME with the aim of taking into account their management realities. By indicating the different factors that impact the design of the transmission process that are used by successors to appreciate financial performance after transmission, the results enable the public authorities to better take into account the contextual specificities of socio-cultural values of the associate founder in this process so as to complement the explanation on the state of performance of family SME transmitted.

Even though this study enabled to discover some interesting results, our research has a certain number of limits. The variables related to cultural practices (religion, beliefs, customs, polygamy) are considered globally. By taking into account all the modalities their study becomes very interesting. However, the sample is essentially made up of transmitted family SME that are still active, which signifies that all family SME with failed management transmission do not appear in our results.

Moreover, the future approaches are presented around three priority angles: first with regards to the only variable of financial performance studied, the study will be more complete from the angle of global performance. Then, the process of management and ownership transmission will also be taken into account in the same study for a global research. Finally, the taking into account of contextual variables in all the different depts. and its impact by perceived performance will lead to a better understanding of the behaviour of actors in the environment. However, it should be mentioned that each transmission is a unique case (Colot, 2006), as such each family enterprise and/or each entrepreneur is unique. It is therefore necessary that the transmission of management of family SME takes into account the socio-cultural context, the size of the family, the existence of heir or not with the aim of their great efficiency.

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