

Generational Succession as a Trigger for Family Business Internationalization

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Abstract: For many individuals the two most important dimensions in their lives are family and work and, as such, it is understandable the potential of family firms. One of the barriers this type of business has to face is the succession. This process is regarded as key stage in the life of a family business and, as a result of this importance, has been one of the topics most addressed in the literature. At the same time, family businesses are commonly described as having a lower propensity to internationalize. Actually, the born-again global phenomenon has gained increasing importance. This concept refers to companies that, after many years focused on the domestic market, suddenly embrace in an internationalization process. The present research aims to bring together the phenomenon of born-again global with family business reality. Using the grounded methodology we developed an exploratory study, analyzing six companies in which the successions lead to the beginning of internationalization and we find a bridge linking succession and born-again global firms: the successor appears as a critical factor to the internationalization process, years after of a national scope of activity.

Keywords: Succession, Born-again global, Entrepreneurship; Internationalization.

JEL Codes: F23, M16

1. Introduction

Gersick *et al.* (1997, p.2) pose an interesting question - "If family businesses are so common, how can they also be special?" For many individuals the two most important dimensions in their lives are family and work and, as such, it is understandable the potential of such firms. Family businesses have a special force for the division of history, identity and language. When the main managers of the company are familiar, their traditions, values and priorities come from a common source. The verbal and non-verbal communication can be greatly accelerated in these firms and the desire to preserve the family name also leads to higher levels of commitment to the firm (Gersick *et al.*, 1997). Loyalty is another characteristic of the strengths of family businesses, and an intangible asset of incalculable value (Ussman, 2004). Despite the potential that appears associated with family businesses, they also have intrinsic characteristics that confer a high degree of complexity.

Family businesses have traditionally acted in domestic markets but increasingly are being forced to internationalize in order to survive in an increasingly competitive market (Kontinen and Ojala, 2010). With the growth of the global economy and the consequent increase in the degree of openness to international activities, cross borders appears, in general, as a good opportunity for family businesses to strategically revitalize (Gallo *et al.*, 2004).

The issue of internationalization is not new and has been the subject for thorough analysis by several investigators (cf. Melin, 1992; Andersen, 1993, Eriksson *et al.*, 1997; Sanders and Carpenter, 1998; Jones, 1999, Malhotra *et al.*, 2003; Cuervo-Cazurra *et al.*, 2007). The evolution of

this investigation over the past years is reflected in the diversity of concepts and theories that have emerged.

The Uppsala Model (Johanson and Vahlne, 1977, 1990) and the concept of Born-Global (McKinsey & Co., 1993) are examples of internationalization theories. More recently, Bell *et al.* (2001) introduced the concept of born-again global company. According to the author, this is a phenomenon associated with companies that, after having a stable position in the domestic market without any intention to internationalize, eventually engage in quick processes of internationalization. This decision results from the sudden occurrence of a particular critical incident. Among the list of incidents that are reported in the literature, managers' substitution processes appear as an important factor on the change in strategic direction of companies, leading them to internationalization (Bell *et al.*, 2001; Baldegger and Schueffel, 2010). However, the topic of succession continues to be little depth as a key driver of internationalization.

In fact, one of the challenges common to all family businesses is succession. As businesses, personalities, social customs and taxes change, the challenge of succession remains throughout all the generations that are passing a family business. In some cases a succession process can lead a family business to new markets, new ways of thinking and to act (Ward, 1987; Ibrahim *et al.*, 2001; Menéndez-Requejo, 2005 and Graves and Thomas, 2008).

In these cases, the successor is an extremely important actor and can act as a true international entrepreneur, turning the company abroad. Despite being recognized as a key factor that can be prevalent in this process,

there have been few studies to deepen the most common variables that lead to the successor company to internationalization.

The characteristics that the literature associates with the international entrepreneur sometimes appear linked to the figure of the successor. However, there is little correlation between these characteristics of "international entrepreneur" and the successor to internationalize. Moreover, studies related to succession have girded themselves primarily to the characteristics that the successor should be in the field of management capacity, not focusing on other variables mentioned in the literature on international entrepreneur.

Although the concepts of "family business", "born-again global" and "succession" have been receiving attention from the researchers, these analyzes have been carried out independently, with little interconnection between these three realities. If, on the one hand, the articles that explore the born-again global firms identify the sequence as a critical factor, on the other hand they do not further explore this reality, particularly the context in which this can happen and what features should make the successors. Meanwhile, despite the succession process be much discussed in the articles on family business and proven empirically by some authors as a factor that can facilitate the internationalization, the link this reality to the born-again global context has been little done.

Thus, based on the gap mentioned above, this study seeks to establish an effective bridge linking three dimensions. Based on the following research question: "What are the variables related to the successor of a family business that facilitate internationalization years after having been only focused on the domestic market?", using grounding theory methodology, this research will identify some characteristics that the successor must have to foster a process of internationalization. So, this paper aims to achieve two objectives:

- Recognize the variables defined by the literature of "international entrepreneur" and of "succession" as the most relevant to foster a internationalization process, and analyze if they are present in actual cases handled;
- identify additional factors that facilitate the internationalization process not addressed in the literature.

2. Literature Review

2.1 Theories of Internationalization

The growing interconnection between countries has led to an increasing degree of internationalization of companies and a deep evolution of literature about internationalization.

Observing a common pattern in the process of internationalization of four Swedish firms, Johanson and Wiedersheim-Paul (1975) develop a theory that describes the processes of internationalization as gradual. Based on this work, Johanson and Vahlne (1977) seek to explore some of the assumptions previously discussed, adding a new element considered

essential - knowledge. Uncertainty and bounded rationality are two assumptions underlying the model (Johanson and Vahlne, 1977). Initially the company is established in the domestic market, and only later, and incrementally, it internationalizes. Thus, building a base of activity in the domestic market is the essential foundation for later, a company venturing into overseas markets.

Knowledge (objective and experiential) plays a central role in the model presented by Johanson and Vahlne The objective knowledge allows to theoretical opportunities. In turn, experiential knowledge is presented as the critical knowledge; however, this kind of knowledge is not easy to be acquired, as it comes from experience, which constitutes the main source of information and that can detect and formulate concrete opportunities. Missing this dimension of experiential knowledge (which requires the presence in the market), companies choose to start international operations in countries which are closer in terms of psychological distance. Thus, as deeper and more extensive the level of knowledge is, the greater the commitment to the market and, consequently, smaller the psychological distance will be. When levels of knowledge and commitment are minimal, the company will not have a regular export activity. Instead, during the peak, the company could be in a stage marked by external production.

The changes that were occurring in the economic environment and the recognition of some limitations of the Uppsala internationalization process had led to that Johanson and Vahlne (2009) review their previous considerations in light of the recognition of the importance of networks.

The process of knowledge creation in this perspective is long associated with the interaction that exists between the parties. The intersection between producers and between producer and consumers leads to the creation of more knowledge, which is a process that is not limited to direct partners (Johanson and Vahlne, 2009). These, in turn, have other partners of which the company will benefit indirectly in terms of knowledge acquisition, a process that goes far beyond the horizon of their direct contacts and domestic market.

Johanson and Vahlne (2009) maintain the importance given to experiential knowledge, which is the basic mechanism in the process of internationalization from the perspective of networks. However, the authors open the possibility that this may be supplemented with other known development process. In addition to the general and specific knowledge of the market already discussed, a new dimension of knowledge appears - the specific knowledge of a relationship. This knowledge is developed through interaction between two partners and includes mutual knowledge about the features and capabilities of each partner.

The new dynamics of the model proposed by the authors give a clear focus on network relationships involving customers and suppliers. The rationale underlying the model is that the company learns and benefit from these relationships and thereby increase their levels of engagement with these partners

In turn, these networks allow the entry into foreign markets. This entry may be incremental or sometimes abruptly. Thus, a company should internationalize to markets where they or their partners, detect relevant opportunities or, alternatively, to markets where partners assume a prominent position. If the company does not have relevant partners, should choose a foreign market where it is easier to establish new partnerships.

Given the current situation in which the world is flat, the networks and informal contacts are undoubtedly an asset. The establishment of these ties and to internationalize their use is increasingly important as a facilitator of the process. Although networking does not prevent the continuation of a gradual internationalization strategy advocated by the Uppsala Model, its existence should, in theory, lead to an acceleration in the process and, consequently, the jumps in the development of internationalization.

The figure of the international entrepreneur can take on special importance in the Theory of Networks. The social network in which it appears may be central to the organization to turn to foreign markets.

Until a few years now, research in the field of international entrepreneurship dwelt mainly on the recent internationalization of companies, linking them to individual acts of entrepreneurship (Zahra and George, 2002).

International entrepreneurship has evolved from a focus only on "new ventures" to also include corporate entrepreneurship (Birkinshaw, 1997; Zahra *et al.*, 2000; Zahra and George, 2002). The ability to innovate consistently is a fundamental feature of international entrepreneurship. It is the ability to extend this entrepreneurial spirit in time, which makes it a viable organization, or not in the future (Zahra and George, 2002). It is on this basis that Zahra and George (2002) propose to define international entrepreneurship as "process of creatively discovering and exploiting

opportunities that lie outside a firm's domestic markets in pursuit of competitive advantage" (p. 261) In fact, there are a growing number of companies looking for that competitive advantage through innovation based entrepreneurship (Simon, 1996).

Managers do have the ability to take the company to innovate, recognize opportunities and exploit them.

The introduction of the term "competitive advantage" indicates the importance that should be attributed to this phenomenon. The higher a company's ability to innovate, recognize market opportunities and exploit them, the greater their claim on the market.

The characteristics of top managers have been identified as a factor that can make the difference between success and failure in these processes. The presence, or absence, of some characteristics affects the company's strategic choices (Finkelstein and Hambrick, 1996). Among the most frequently mentioned by the researchers are professional and educational experience abroad, the history and vision with regard to internationalization. The real importance of these features while the vehicle has had success in cases analysis impact (McDougall *et*

al., 1994; Oviatt and McDougall, 1995; Bloodgood *et al.*, 1996; Burgel and Murray, 1998).

This process therefore suggests the presence of an individual-oriented and international vision aimed go to internationalize the company. If it is true that the results are reflected in international entrepreneurship at the firm level, it remains equally true that the entrepreneur plays a key role (Cavusgil, 1984, Reuber and Fischer, 1997, Hutchinson *et al.*, 2006). In this sense, many authors detail the variables that more regularly, appear associated with international entrepreneur.

General reading of the literature on the subject allows identifying four variables most frequently related to international entrepreneur - the objective characteristics, subjective characteristics, social network and social capital.

Objective Characteristics

The international process depends largely on the characteristics that the individuals who have initiated it. Their special characteristics, past experiences, knowledge and trainee result in different patterns and rhythms of internationalization.

Reuber and Fischer (1997) stress that changing jobs and drag experiences that can be applied in a new context, accelerating the internationalization of some companies. Past experiences and knowledge that will accrue to them, play a key role. When an individual is confronted with a new stimulus, it always ends up being captured and framed in the context of their past experiences, thus varying from individual to individual (Baron, 2004). Nohria (1992) points out that the experience of international entrepreneur can forward him more confidence to go abroad, facilitating the process of internationalization.

Knowledge is another important variable in this context. Although the literature on the topic salient variables of the three sub-component "knowledge" (management knowledge, international knowledge and industry-specific knowledge). The specific knowledge refers to knowledge that manager already has on the business sector (Casson, 1982; Ronstadt, 1988; Chandler, 1996; Westhead *et al.*, 2001). Westhead *et al.* (2001) developed a study that provides statistical evidence that entrepreneurs who have specific knowledge of the industry have a higher probability of being exporters.

The academic knowledge is also indicated as a relevant variable in the context of international entrepreneurship, albeit on a smaller scale than the others. Westhead *et al.* (2001) while proposing academic training as an important factor for the internationalization, no statistical support are able to relate the degree college with the highest propensity to export.

Finally, age comes out as variable to consider in this context, although with conflicting theories. If some authors suggest that younger individuals have a higher propensity to internationalize because of the ease to detect and seize international opportunities (Andersson *et al.*, 2004), others point out that older individuals are

more likely to achieve given its experience and knowledge (Westhead *et al.*, 2001).

Subjective Characteristics

Although less based on facts, subjective characteristics of the international entrepreneur constitute themselves as a pillar of significant importance. Among the most reported in the literature are: the international vision, a pro-active attitude, innovative spirit and attraction to risk (Lumpkin and Dess, 1996; Dess *et al.*, 1997; Harveston *et al.*, 2000; Knight, 2001).

Social Network

It is generally accepted that opportunities are identified by individuals, not by firms (Aldrich and Zimmer, 1986; Venkataraman, 1997; Singh, 2000; Ozgen and Baron, 2007). Assuming the recognition of opportunities as a central element of entrepreneurship (Ellis, 2010), the ability to identify them with greater or lesser speed and intensity, is influenced by the participation of the entrepreneur in business and social networks. The presence on social networks allows the entrepreneur to obtain knowledge, resources and contacts that he would not have access, or which access would represent high costs (Witt, 2004). Thus, via social networking, the entrepreneur obtains, directly or indirectly, potential partners (Komulainen *et al.*, 2004) that will allow him to start, or to promote the internationalization process.

However, despite social networks allow the manager advantageously positioned in social web to know more quickly than on others about potential opportunities, not all individuals have the ability to recognize them as such. It is required that entrepreneur has intrinsic characteristics to take advantage and leverage them into a internationalization process.

Social Capital

The reputation, credibility, status and integrity of the entrepreneur are elements of their capital. The existence (and recognition) of social capital in the entrepreneur influences how he is evaluated by the other agents, and this evaluation could be extended to the company itself (Larson, 1992). Putting the hypothesis of a company with little credibility and reputation in the market, the presence of a new individual in the company that has high levels of social capital can lead to changes in how the company will be perceived. The importance of this component is emphasized by other authors who reported that individuals who have this capital, have more legitimacy and can more easily internationalize and get the necessary resources (Hannan and Freeman, 1989).

Understanding the extent to which these characteristics can be transported to the reality of born-again global family firms is the challenge we propose. In a family business, the existence of a successor with the mentioned characteristics may speed up the internationalization process.

2.2. Born and Born-Again Global Firms

The "shortening" of global distances, increasing the similarity of the consumption habits of life and global, technological change, liberalization of markets and rapid access to information are just some of the factors that led to strong changes of international context. Result of these changes, the reality of many companies is no longer one that advocated the traditional theory. Instead of a gradual internationalization, access to foreign markets occurs abruptly, giving rise to a new phenomenon - the born global companies.

Oviatt and McDougall (1994) define a born global as an organization that "since its inception, seeks to draw significant competitive advantage through the use of resources and the sale of products / services in multiple countries" (p.49). For Knight and Cavusgil (1996) a born global company is small, technologically oriented and operates in international markets since the beginning of its creation. According with these authors, as well as the vision of McKinsey & Co. (1993), managers perceive the world as their market from the outset. The products of these companies have a potential global market and combine this potential with entrepreneurial skills in the search for methods that lead to a rapid internationalization (Gabrielsson *et al.*, 2008).

What distinguishes this type of companies is the fact that its origin is, already, international, as demonstrated by the significant commitment of resources - material, human, financial and time - in more than one country. The focus in these companies is the age at which internationalize rather than its size, having since the beginning a proactive international strategy (Oviatt and McDougall, 1994) focusing on a global niche market from day one (Moen *et al.* 2008).

Gabrielsson *et al.* (2008) list a number of factors which can influence the development of the global born. Among these, the founder of the company and his global vision at the time of origin are the key factors. Innovation, finance, product strategy, channels / networks, strategies and market operations and organizational learning are pointed out as the other items that may affect the development of this type of business.

Instead, Bell *et al.* (2001), after conducting a survey of 60 companies studying their process of internationalization, found that about 30% had adopted a model of internationalization that did not fit, or the traditional theory or the theory of born global companies. Thus, according to these authors, it could be identified, to date, a new phenomenon associated with companies well-cemented in the domestic market and without intent to internationalize but as a result of the occurrence of a particular critical incident, gone on a rapid internationalization process. Since they represent a rebirth for international markets after long years of focus on the domestic market, companies are called born-again global.

The big difference between born global firms and born-again global resides at the time of globalization. The first are global from the beginning in all aspects - from business idea to all functional areas. In turn, the latter

remain focused on the domestic market to emerge given that the event is directed towards other markets (Mets, 2009).

After the initial exploration of the concept by Bell *et al.* (2001), several authors have been developing research on the subject (Fry and Freeman, 2005; Baldegger, 2008; Mets, 2009, among others). Baldegger (2008) reinforces the concept, emphasizing the need to study the internationalization activities of all companies, regardless of their age, size or industry, including activities for mature companies which should also be considered in the light of international entrepreneurship.

Despite its well-defined structures, strategies and cultures, the born-again global firms adapt themselves to new environments. They explore areas outside their core business and, with the internationalization aim to obtain new sources of expertise and innovation abroad (Baldegger, 2008). The more informal and flexible is the structure of the company prior to internationalize more rapidly and effectively the company will develop the process of internationalization (Baldegger, 2008). Once internationalized in foreign markets, these companies are able to attract qualified workforce and to learn from their new international partners. In turn, this leads to an improvement in their products and services originating, in some cases, changes in the business model, or even the target market. Although internationalize after a long period after its existence, the speed with which this process takes place, allows companies to born-again global reach not only growth but also higher levels in terms of innovation, sustainability and self-confidence (Baldegger, 2008). The change of attitude to foreign markets is the result of a particular critical incident amending the company's positioning in this context. Bell *et al.* (2001) refers as critical incident: change of ownership MBO, acquisition by another company, purchase by the administrator, acquisition of a company with international connections, internal technology transfer, distribution rights, follower of customers that household customer internationalize and international customer who enters the domestic.

In addition to these factors Baldegger (2008) identify two more reasons that explain why firms become born-again global: on the one hand, the external environment, including the small size of the internal market which ended up pushing some of these companies to foreign markets, on the other, the existence of an entrepreneur who can open a contact and active search for new opportunities.

2.3. Family Business

The definition of family business is a topic that even today, it gathers a consensus among researchers.

However, in this article the definition adopted is the one more often reported in the literature, i.e. a family business "is a company where the family owns a majority stake and management exercises full control" (Merner and Malach-Pines, 2011, P.113).

As is the case in all other ways of doing business, family businesses also have waded on the road to internationalization. In this sense, the literature points the existence of a set of constraints and facilitators to the internationalization of family businesses.

Family businesses are commonly described as having a lower propensity to internationalize due to some of its features (Gallo and Sveen, 1991; Gallo and Garcia Pont, 1996; Okoroafo, 1999, Gallo *et al.*, 2004; Graves and Thomas, 2004, Fernandez and Nieto, 2005, Graves and Thomas, 2006). Gallo and Sveen (1991) begin by pointing out organizational factors such as major barriers. Among the most relevant, the authors refer to family members' reluctance to accept external knowledge, difficulties in hiring new managers with international responsibility, fear the loss of control and the existence of control systems underdeveloped.

Meanwhile, Gallo and Garcia Pont (1996), indicate that the existence of a product geared solely to the domestic market, lack of financial resources and family members ready and willing to take internationalization, low willingness to form strategic alliances as well as internal power struggles, largely determine the internationalization of family businesses.

The irregular monitoring of the international environment and non-integration of global developments in their household decisions are other factors that restrict the internationalization of these companies (Okoroafo, 1999).

The concentration of decision power in the hands of a single shareholder or small group, the delays in the processes of succession and their own aversion to internationalization are aspects that can prevent the internationalization in family businesses (Gallo *et al.*, 2004). However, the authors stress that they are not the characteristics of family businesses to large obstacles to internationalization. The degree of commitment assumed by the business owner with his long-term survival is presented as a major determinant.

The lower propensity to develop networks with links to other business areas (Graves and Thomas, 2004) and lack of resources are other important obstacles pointed out (Fernandez and Nieto, 2005). Table 1 lists the main obstacles to the internationalization of family businesses identified in the literature.

Table 1: Barriers to Internationalization of Family Business

Year	Author(s)	Article	Main Barriers
1991	Gallo e Sveen	“Internationalizing the family business: Facilitating and restraining factors”.	<ul style="list-style-type: none"> • Reluctance of family members to accept external knowledge; • Difficulties in hiring new managers with international responsibility; • I fear the loss of control; • Existence of control systems underdeveloped.
1996	Gallo e Pont	“Important factors in family business internationalization”.	<ul style="list-style-type: none"> • Existence of a product geared solely to the domestic market; • Lack of financial resources and family members ready and willing to take the internationalization; • Low willingness to form strategic alliances; • Internal struggles for power.
1999	Okoroafo	“Internationalization of family businesses: Evidence from north-west Ohio, U.S.A”.	<ul style="list-style-type: none"> • Irregular monitoring of the international environment; • No integration of global developments in their household decisions; • If the company does not internationalize the 2nd generation then becomes less likely that will make the 3rd generation.
2004	Gallo <i>et al.</i>	“Internationalization via strategic aliances in family businesses”.	<ul style="list-style-type: none"> • Concentration of decision-making power in the hands of a single shareholder or small group; • Delays in the succession process; • Self aversion to internationalization.
2004	Graves e Thomas	“Internationalization of the family business: A longitudinal perspective”.	<ul style="list-style-type: none"> • Less willingness to step up presence in networks; • Connection to other areas of activity.
2005	Fernández e Nieto	“Internationalization strategy of small and medium-sized family businesses: Some influential factors”.	<ul style="list-style-type: none"> • Lack of resources relevant to family businesses that join the socio-psychological problems, cultural and political.
2006	Graves e Thomas	“Internationalization of Australian family businesses: A managerial capabilities perspective”.	<ul style="list-style-type: none"> • As we grow internationally, the management capabilities of family businesses are less than the existing companies in the unfamiliar, being more relevant when the levels of internationalization are high.

Source: Authors

The lack of significant resources is a factor that limits the growth of small and medium-sized family businesses, as well as psycho-sociological problems, cultural and political (Fernandez and Nieto, 2005). Fernandez and Nieto (2005) indicate an internal and two external means to address these gaps.

The search for outside resources can go through the existence of another company as majority shareholder. In the view of Fernandez and Nieto (2005), small and medium family businesses in this situation are better prepared to develop their own resources and may still have access to the resources of its shareholder.

The use of strategic alliances as a facilitator is shared by several authors (Gallo and Garcia Pont, 1996, Gallo *et al.*, 2004, Fernandez and Nieto, 2005). By betting on a system of alliances, family SMEs may dilute some of its

fixed costs involving foreign markets (Fernandez and Nieto, 2005). Strategic cooperation with other companies also allows access to useful information on business opportunities, market characteristics, obstacles to face, among other things, helping to reduce the perceived risk (Bonaccorsi, 1992). The establishment of alliances with other family businesses is another factor to consider (Gallo and Garcia Pont, 1996).

On internal matters, the authors advocate the involvement of generations as a facilitator. They state that, the second generation has more information and is better prepared which encourages the development of an internationalization process.

Table 2 presents a summary of the facilitators identified, their authors, articles and publication year.

Table 2: Facilitators of Family Firms Internationalization

Year	Author(s)	Article	Facilitators Identified
1992	Bonaccorsi	“On the relationship between firm size and export intensity”.	<ul style="list-style-type: none"> • Strategic cooperation with the various players in the market, allowing access to useful information on business opportunities, characteristics of markets, the obstacles to face, among others
1996	Gallo e Pont	“Important factors in family business internationalization”.	<ul style="list-style-type: none"> • Possibility of use of strategic alliances with other family businesses
2004	Gallo <i>et al.</i>	“Internationalization via strategic aliances in family businesses”.	<ul style="list-style-type: none"> • Possibility of use of strategic alliances with other family businesses.
2005	Fernández e Nieto	“Internationalization strategy of small and medium-sized family businesses: Some influential factors”.	<ul style="list-style-type: none"> • Involvement of generations; • Demand for resources outside the presence of a company as majority shareholder; • Development of strategic alliances.

Source: Authors

Although there is no universal definition of what is the succession, the most widely used by researchers has been proposed by Beckhard and Dyer (1983) as "the passing of the leadership baton from the founder-owner to a successor who will either be a family member or a non-family member; that is, a 'professional manager'" (p.3).

Gersick *et al.* (1997) have a curious expression to underline the complexity that is associated with a process of family succession: " It is not just

an American dream to make a business venture succeed and then to add "and Sons"

(and recently "and Daughters") to the sign over the front door."(p.2).

The succession is not just a step consisting in the delivery of testimony, it should be viewed as a process of several stages that develop over time and begin even before the heirs enter into the business (Handler, 1994). The succession should not be understood as an event that occurs with the sudden death of the founder. An effective succession results from proper planning at an early stage of the offspring (Ibrahim *et al.*, 2001).

Given the importance of continuity in the family business, the succession process has been studied with several authors to identify variables that help to an effective succession. Dyer (1986) believes that the role of business, family and administration (and its cultural setting) is critical to the succession, with the conditions that must occur in each of these dimensions.

After a qualitative study with 32 family businesses, Handler (1989) determined that mutual respect and understanding between the founder and successor is a very important component of a good succession. The same author stresses the importance of achieving the successors satisfy themselves professionally and personally within the company as this will result in better performance.

While encouraged by some authors (Danco, 1982), the role of "mentor", first pointed out by Kram (1985), has been frowned upon by others (Bork, 1986; Nelton, 1986, Ward 1987). If the first claim it is the only way to ensure that knowledge is transmitted from the predecessor to the successor, the second doubt due to the numerous roles that conflict. Gaining experience abroad to be subsequently applied in the family business is another factor such as positively influential (Nelton, 1986, Danco, 1982).

The succession process is one that effectively encompass a number of factors. In addition to own variables associated with predecessor and successor, aspects such as quality and harmony of family relations, organizational culture and succession planning should be taken into account.

2.4. Succession - Window of opportunity for internationalization?

The impact that the succession may have on internationalization has been approached by several authors (Ward, 1987; Okoroafo, 1999, Ibrahim *et al.*, 1999, Fernandez and Nieto, 2005; Menéndez-Requejo, 2005, Graves and Thomas, 2008), resulting in different points of view.

The succession to the next generation may be a catalytic factor for family businesses follow a path of born-again global (Graves and Thomas, 2008). Also Ibrahim *et al.* (1999), Ward (1987) and Menéndez-Requejo (2005) suggest that an appropriate succession opens an interesting window of opportunity that can lead to the internationalization of business.

The connection between the two spheres "succession" and "internationalization" is based largely on the skills and orientation to management that the subsequent generation features. The orientation to management of the successor may be composed of four variables - management skills, international experience, work

experience outside the family sphere and professionalization of the successor (Segaro, 2010).

International experience refers to the degree of experience that top management will have with the entry of the successor. If he has lived or worked outside the home country he will have more capacity to support the organization's desire to internationalize (Cavusgil *et al.*, 1993; Lages *et al.*, 2008). Having a work experience outside the family business is one of the variables suggested by some authors as positively influencing the internationalization (Barach *et al.*, 1988, Morris *et al.*, 1997; Lambrecht, 2005). Working outside of the family, and preferably having a management role, will allow family members to develop as individuals and also become capable managers outside the family protection, solidifying its position once they join the family business (Segaro, 2010).

The professionalization of the successor with respect to their formal (formal education, training and experience) and cultural skills are very important too. Recently, other authors have suggested a new dimension to translate the professionalization of the successor. Hall and Nordqvist (2008) empirical results' indicated that the formal education is not enough to be successful in management functions. Thus, they propose work, an extension to the meaning hitherto existing "professional management" expanding into what they called cultural competence. For understanding this concept as "an understanding of the family's goals and meanings of being in business, that is, the values and norms underlying the reason for the family to be in business the knowledge of the objectives of the family and ways of being in business" (Hall and Nordqvist, 2008, p.58).

In his study on the impact of succession in the internationalization of family SMEs, Segaro (2010) also established the existence of two groups that articulate with four variables, positively influence internationalization. First, the moderating variables such as the orientation stewardship behavioral management and integration of the top which includes, for example, the amount and quality of information exchange. On the other hand, underlines the need for mediating variables - strategic flexibility and capital - which relate to the ability to spot an opportunity and to build social networks within the family and beyond.

The sequence appears as a possible catalyst for the company to start a presence in foreign markets. Being regarded as one of the key steps (and inevitable) in the life of a family business, it is clear the window of opportunity that opens with the succession process in such companies.

3. Methodology and Stages Followed

The methodology adopted in this research was grounded theory (Glaser and Strauss, 1967). The methodology stems from a dissatisfaction with the authors on the predominance of hypothetical-deductive approach - used in the exact sciences - and which were to be replicated in the social sciences.

This methodology seeks to promote the involvement of the researcher in the research process itself so that it feels part of the process and not just as a receiver (Layder, 1993). The logic of this approach is to place the emphasis on theory as a process and not to test hypotheses already given. It is not part of previously existing hypotheses, but a situation or phenomenon (in this case, the phenomenon of "internationalization" on one side and the "family business" on the other), giving rise to hypotheses as the process moves forward. The main difference between this approach and the other is that of finding a theory that the data may arise, this is, it is an emerging theory.

Looking up at every moment, to establish a bridge between theory and reality, a back-and-forth constant validation between the two dimensions. The comparison between theory and empirical data are the heart of the whole methodology. Initially, the hypothesis may not seem relatable, but as the different categories and properties emerge, eventually relate and it is these interrelationships that form the core of emerging theory. It is this core that serves as a theoretical framework for the collection and analysis of data (Glaser and Strauss, 1967).

This work uses an abductive approach which Denzin (1978, p.110) describes as one that "combines the deductive and inductive models of development of propositions and theory building." Thus, the final result of this document is a consequence of interaction between successive frames relevant theoretical and empirical evidence.

As stated in Strauss and Corbin (1990, p.3) "the research question in a grounded theory study is a statement that identifies the phenomenon under study."

In this sense, initially, a survey was conducted based on the themes "Internationalization" and "Family Business", supported by books, newspapers, academic journals and databases.

Throughout this initial research and confrontation with existing data, new questions have emerged more focused and targeted leading to two specific points: - firstly, the relatively recent phenomenon of the born-again global, - secondly, succession process in family businesses. Although the last decade has increased the number of items in this area, the literature review carried out research allowed us to detect gaps in these two areas. The gaps in linking the two concepts are even higher, which triggered the study of the relationship between the time of succession and the time that a family business already established in the domestic market decides to internationalize.

The comparison with existing data on the subject, led to the narrowing of the research question. Realizing that, firstly, the successor is often touted as the central figure of these processes of internationalization and, secondly, to detect gaps in the definition of the characteristics that are most associated, led to the objective of this research.

3.1. Research Issues

The succession in family businesses is an issue that can not be approached lightly as a simple process of passing actions, wealth or position. Succession is a topic that, by the complexity and importance should be properly thought out and planned.

Despite the requirement associated with the moment of succession it may represent a significant leap in the life of the company, leading it to previously untapped international markets. The characteristics of successors - objective and subjective - as well as their social network, social capital and management skills are vectors able to catapult the company to new heights, even requiring an adequate internal and external environment.

Based on the following research question - "What are the variables related to the successor of a family business that facilitate internationalization years after having been only focused on the domestic market?" some variables were identified, that could be related to the successor as an individual able to internationalize a family business previously only focused on the domestic market.

The variables listed are from two different sources. On the one hand, the existing literature on the figure of the international entrepreneur as this can naturally be associated with a successor that after entering the company seeks to internationalize it immediately. On the other hand, from literature review conducted on the topic of succession, although this is mainly focused on the management capabilities of the successor, and so far, been little empirical evidence. Segaro (2010) developed a literature review to the most common features that are pointed to the successor in the field of management skills, specifically refers to that "to explore the relationship between these factors and internationalization in future studies related to post-succession family SMEs"(p. 6).

The combination of these the sources results in a set of variables which are divided into five major groups - the objective characteristics, subjective characteristics, guidance for management, social networking and social capital (Table 3).

It should be noted that the literature on international entrepreneurship also make reference to international knowledge as a variable to be considered within the objective characteristics. Also according to the literature on this subject, this knowledge can be obtained through personal, professional or academic international experience. Since the literature on the succession also considers this vector, we chose to keep it in the group of "Management Orientation" not mentioning the group of "objective characteristics". This decision followed the criteria of choosing the literature that is closest to the subject concerned.

Meanwhile, although the variable "professionalization of the successor" involves factors such as experience and academic training (already contained in the objective characteristics), it was decided to maintain once the definition also includes other aspects (cultural competence) that is not considered in any other variable. Thus, whenever the characteristic "professionalization of

the successor" is selected, it should be only to verify that the component of cultural competence.

Table 3: Main Characteristics from literature

Objective Characteristics
- Formal Education - Experience - Thecnical/specific knowledge - Age
Subjective Characteristics
- International Vision - Pro-activity Innovative Spirit Risk Atraction
Management Orientation
- Management Skills - Profissional Experience Outside of the Family - International Experience - Professionalization
Social Capital
Social Network

Source: Authors

3.2. Construction of the Sample

As Strauss and Corbin (1990) suggested, studies using the methodology of grounded theory should go to building a sample "relevant" to the phenomenon under study and that will be defined by the analysis itself. In turn, Eisenhardt (1989) recommends that researchers to select between four and ten cases, since it may be difficult to generate any kind of theory with less than four and more than ten.

Thus, the sample is composed of six companies since it was felt that theoretical saturation (Glaser and Strauss, 1967) had been reached and that the analysis of a new case, not relevant theory would emerge.

The selection of companies was made to ensure that simultaneously met the criteria for family-owned company that has gone through a process of succession and born-again global. The requirements were defined as:

- Have been active for at least five years in the domestic market prior to internationalize;
- Most of the capital held by the family;
- Family has full control in managing;
- Be based in Portugal;
- Having already gone through at least one process of succession, and,
- The successor is a family member.

The first criterion ensures that the company is a born-again global; the second and third criteria come from the

definition adopted in this study of family business, ensuring that it is a company of this type of business; the fourth criteria serve to ensure that it is a Portuguese family company and, finally, the last two points allow us to make sure that a business succession process has

already occurred and that this succession occurred within the family and not via the choice of an external agent.

The tables 4 and 5 list the six companies selected for the sample respondents and their successors.

Table 4: Selected Companies

	BAKERY	CARPENTRY	BISCUIT FACTORY	GARMENT FACTORY	BUTTONS FACTORY	SHOES FACTORY
YEAR OF CREATION	1961	1968	1943	1975	1966	1939
YEAR OF INTERNATIONALIZATION	2001	2000	1992	1995	1992	1999
BUSINESS VOL. (2010)	1 M€	0.75 M€	26,5 M€	1,8 M€	13 M€	5 M€
Nº WORKERS (2010)	18	25	193	105	189	50
DIMENSION	Small	Small	Medium	Medium	Medium	Medium
EXPORTS (2010)	70%	12%	50%	80%	Entre 75% e 80%	93%

*M€: million €; Source: Authors

Table 5: Successors

	BAKERY	CARPENTRY	BISCUIT FACTORY	GARMENT FACTORY	BUTTONS FACTORY	SHOES FACTORY
LINK WITH CREATOR	Son	Son	Son	Daughter	Son	Grandson
YEAR OF ENTRANCE	1991	1981	1969	1995	1992	1993
MOTIVATION	Free Will	Generational Obligation	Generational Obligation	Get Experience	Mix Generational Obligation + Free Will	Mix Generational Obligation + Free Will
FORMAL EDUCATION	Management Degree	Intermediate School	Primary School	Economics Degree	Intermediate School	Intermediate School
FIRST FUNCTION	Manager	Manufacture Employee	Logistics	Administrativ	Manager	Designer, Comercial
ACTUAL FUNCTION	Manager	Partner-Manager	CEO	Comercial Director	Partner-Manager	Designer, Comercial Manager

Source: Authors

To facilitate the conduct of the interview, a script was prepared. However, the interview was open, not constituted as a tight frame and mandatory to be followed from beginning to end. The lack of preconceptions that might influence the course of the interviews was another set of points. Where there was agreement of the interviewees, the interviews were recorded for later transcription into word. The duration thereof was not previously defined.

Reading existing information in mass media (newspapers, the Internet companies' sites and other information on the Internet) served as a support to the preparation of each interview. Later,

there was a triangulation of all information collected in order to give greater support to the evidence found.

The interviews were always carried out at the respective companies and took place from July to September 2011. In all, data were collected and analyzed almost simultaneously.

The next phase began by ordering the data collected. To facilitate the analysis of information, we proceeded to the ordination of six interviews in chronological order for the computer software NVIVO 9.

Performed data collection, the next step now for the data analysis software NVIVO 9 and the

introduction of "nodes" identified in the literature review.

Each "node" represents a variable identified in the literature regarding the successor that will facilitate the process of internationalization of the company, constituting a total of fourteen "nodes."

Then we proceeded to analyze information concerning the first case entered. Matches were made between aspects referenced and the "nodes" created. Whenever a match was found, would be associated with a "node" already created. When a variable mentioned was not on the variables identified in the literature, we proceeded to the creation of a "node" capable of being included in the final conclusions, depending on the analysis of the remaining interviews. The same procedure was followed in other cases. Through this process of coding recommended in the methodology, it was possible to go to develop concepts, categories and properties that were emerging from the data analyzed.

Analyses of the interviews were being carried out progressively, leading to new variables. However, as it would for advancing a new interview, the marginal gain (represented here to identify a new variable) was smaller and smaller. As such, it is concluded that it had reached the theoretical saturation and was therefore important advance over some interviews, leaving the sample in six interviews.

The comparison was made between the existing literature and the theory that emerged from the analysis of the existing data.

4. Results

Each of the cases that were studied in detail using in depth interviews, which took place without any kind of conditioning by the interviewer. Sought that the respondent approached freely the various themes, with greater focus being given in the process of internationalization and the "why" and "how" of it. By analyzing this issue, we sought to identify variables that had acted as facilitators of this process. Thus, sections and subsections were organized into detailed: the route's successor, the process of entry into the company, its objective characteristics and subjective and, finally, the steps taken during the process of internationalization.

Analysis of each company, have been identified as variables that were facilitating the onset of these expanding to international markets (Table 6).

In this process, we can draw some considerations that seem relevant. On the one hand, the variables that emerged from the literature, only two were cut across all case studies - the "international vision" and "innovative

spirit" of the successor. Between these two, the fact that the successor has a global mindset was most often identified (11 times). Although it has been identified in all cases, the variable "innovative spirit" is sometimes referred to less than the variable "pro-activity" (9 vs 10).

Conversely, the "capital" and "management skills" successor, seem to have little influence at the time these companies start a process of internationalization. Both variables were identified in only one of six cases. Also the variable "formal education", "age", "experience", "social network" and "professional experience outside of the family," had little impact when starting up the presence in international markets. All of them were referenced only in two cases.

Moreover, the analysis interviews led us to identify new variables not listed in the literature:

1. Significant involvement with the company before the succession: in all cases analyzed it was found that the fact of being integrated into the company long before they official take over some task, led to increased confidence on two levels - in their abilities and skills of the company. This psychological reinforcement turned out to be crucial to the internationalization in the cases mentioned.
2. External factor not attributable to the company: this variable was considered events whose origin can not be attributed to the company. More than mere facts, use these events to start internationalization, translate the skills of successors in the detection and recognition of opportunities.
3. Motivations for entry into the company: This variable was identified in one case and reflects the importance that the reason for entry into the business can take. In this context, it was considered the entry of their own volition as a possible catalyst for internationalization.
4. Internal path followed: relates to the path followed by the successor after being officially in the company. In cases where this variable was identified, the route that the successor has made enables him to obtain different skills that facilitated the launch of the presence in foreign markets. This variable was identified in five cases studied.
5. Other languages speaker: refers to the importance of being skilled and fluent in other languages, as facilitator of the internationalization process. This was referenced in one case.

5. Concluding remarks

This research aimed to understand which variables, related to the successor, may facilitate the initiation of a process of internationalization in the context of a family business.

Table 6: Results

VARIABLES	BAKERY	CARPENTRY	BISCUIT FACTORY	GARMENT FACTORY	BUTTON FACTORY	SHOES FACTORY
1. FROM BIBLIOGRAPHY						
<u>OBJECTIVE CHARACTERISTICS</u>						
- FORMAL EDUCATION	<input type="checkbox"/>					<input type="checkbox"/>
- AGE				<input type="checkbox"/>	<input type="checkbox"/>	
- EXPERIENCE		<input type="checkbox"/>			<input type="checkbox"/>	
- TECNICAL-SPECIFIC KNOWLEDGE	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>
<u>SUBJECTIVE CHARACTERISTICS</u>						
- INTERNATIONAL VISION	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
- PRO-ACTIVITY	<input type="checkbox"/> <input type="checkbox"/>			<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
- INNOVATIVE SPIRIT	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
- RISK ATTRACTION	<input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>
<u>SOCIAL NETWORK</u>						
		<input type="checkbox"/>			<input type="checkbox"/>	
<u>SOCIAL CAPITAL</u>						
					<input type="checkbox"/>	
<u>MANAGEMENT OPERATIONS</u>						
- MANAGEMENT SKILLS	<input type="checkbox"/>					
- PROFESSIONAL EXPERIENCE OUTSIDE OF THE FAMILY		<input type="checkbox"/>			<input type="checkbox"/>	
- INTERNATIONAL EXPERIENCE		<input type="checkbox"/>		<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	
- PROFISSIONNALIZATION	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>		
2. GROUNDED						
- SIGNIFICANT INVOLVEMENT WITH THE COMPANY BEFORE THE SUCCESSION	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>
- EXTERNAL FACTOR	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	
- MOTIVATION	<input type="checkbox"/>					
- INTERNAL PATH	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
- OTHER LANGUAGES SPEAKER				<input type="checkbox"/>		

Source: Authors

Claver *et al.* (2009) investigated the impact of generational change in the internationalization. Assuming the observations of Fernandez and Nieto (2005) that family firms in the second generation and the following are more likely to internationalize, the authors put a hypothesis (not supported empirically) that the number of generations ahead of the business would increase likely to use the company's market entry methods involving high levels of commitment. His work was over, however, to be inconclusive, arguing that the latest generations were too busy with the transfer

process in order to devote time to international opportunities.

In short, the existing literature on the subject in addition to being reduced remains somewhat inconclusive regarding the impact that generations can have on the internationalization and the variables related to the successors that can act as facilitators.

Arising from the conclusions the variable "significant involvement with the company" was the only one identified in six cases. Thus, we flagged those in which the high degree of involvement with the company before

taking on any task officially has facilitated the start of internationalization. Of the cases analyzed, the fact that successors entered more fully in the life of the company before starting work there, can lead to:

- An increase in confidence in their abilities;
- An increase in confidence in the company;
- Greater acceptance by other employees when the successor takes the lead;
- More specific knowledge about the functioning of the business and the business sector in which it operates;
- Detection of opportunities for improvement in the company, the result of a vision, to date, more detached.

All these factors come from interviews carried out and seem to open a new window for discussion in the literature on the subject.

The degree of involvement that is the successor to the company before the moment of succession is mentioned in some articles. However, the items that make this reference, the related topic appears as a possible cause for good or bad succession (Handler, 1989, Rosenblatt *et al.*, 1986; Davis, 1968). Also Mitchell *et al.* (2009) suggest further investigation into the cause-effect that the successor of previous involvement with the family business may have on the effectiveness of succession. To our knowledge, no study linking the topic of internationalization as a variable facilitator to internationalization of born-again global exists.

The presence of an "external factor not attributable to the company" was identified in five companies and referred to twelve times, being one of the new variables is that the greatest number of times. Of the various processes of globalization that we are analyzing, it is curious to note that many of them had given as a catalyst event unrelated to the normal activity of the company and will own the successor to internationalize. More than mention these facts act as drivers of internationalization, it is noted that the ability, in all cases, the successors denoted in exploiting the opportunities left open by these factors. Among these are:

- The difficulties of payment by customers;
- The opening to the outside of Portugal;
- The intensification of low-cost travel;
- The fall of the Soviet Union;
- The Express postal massification;
- The emergence of stakeholder;
- A widespread change in attitude;
- The evolution of the Internet;
- The disappearance of quotas with China; and
- The recession in the textile industry.

In all cases, the successors demonstrated ability to spot opportunities in events that escaped the control of the company and that, in many cases, could be unfavorable.

There are several studies which emphasize the importance that external factors can take the approach of companies to the global market. For Oviatt and McDougall (1994), globalization, outsourcing, virtual economy and development in communication, constitute factors to take into account. In a study carried out by Baldegger (2008) with seven Swiss family business, the author also identifies the external environment as a decisive factor for the sudden internationalization, pointing to the limited growth of the internal market and increased competition as examples. However, no connection is made to the role the successor can take this context, namely the recognition of opportunities. The ability to recognize international opportunities have been mainly observed in the literature on international entrepreneurship. Ardichvili *et al.* (2003) emphasize that it is known that international opportunities are spread throughout the world and available to all, it is also true that only a few discover them.

The "internal path followed" was another of the variables that emerged from our study, it has been identified in five cases and referred seven times. Although less than the two above variables, it is still a significant number. Concerns the importance of the route taken by the successor within the company, and have already officially part of the same. In interviews, successors repeated several times the phrase "was the ideal course" when a successor was asked to describe the path taken after its entry. In the cases identified, the fact that his successor has been through several areas within the company allows them to get different skills that increase their level of confidence and ease, facilitating the start of presence in foreign markets.

Bridging the gap to the literature, the career of successors within the family business is addressed by several authors but in the context of the effectiveness of succession. Handler (1989) states that the chance of having a career that satisfies successor is crucial to a successful succession process. Also Kram (1985) addresses the career development of the successor, suggesting the role of counseling as an important factor in realizing the company going.

Some of the authors identify some variables related to the successor (Barach and Ganitsky, 1995; Chrisman *et al.*, 1998; Morris *et al.*, 1997; Sharma *et al.*, 2001), recognizing the importance that learning within the company can have for a good succession. However, they leaved aside the focus on the importance that the pursuit of certain tasks until you get to management, may have at the beginning of internationalization.

Despite the variable "motivations for entry into the business" and "other languages speaker" have been identified only in one case and referenced once, it seems important to put these variables for debate. Since this is an exploratory study, mention all the variables that emerged from the case studies, making room for future work in this area.

The "motivation for entry into the company" has been identified in the bakery. This variable was referenced by the successor and reflects the importance that the reason for entry into the business can take. Thus, it is believed that the entry in the company of their own volition and not associated with any generational obligation, can act as a catalyst for internationalization. In light of the studied in this case, the motivation comes from an entry is not forced into firm or at least it does not result in any sense of familiar duty, may lead to greater motivation and thus facilitate the process. Moreover, the fact that this was the only successor to point "will" cause as input the company, can lead to a conclusion, although generally, in this regard. However, alert to the need for validation in future studies.

Harvey and Evans (1994) emerge the impact moment and the input mode in the successor company may have a sequence in the development of effective. However, they leaved aside the impact it can have on internationalization.

Like what happened with the previous variable, the "other languages speaker" variable was identified in one case as a variable that facilitated the early presence in foreign markets. In fact, in the case of Garment Factory, the successor had hold three summer English courses in England, representing an important support that accelerates the process of internationalization. In studies

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on internationalization of family businesses that have variables that can facilitate this process, does not appear at any time, identified the domain of other languages as relevant variable. Also in the study of variables related to the successor that help to internationalize, the literature does not identify this feature.

At this point, it seems clear that, for the research question "What are the variables related to the successor of a family business that facilitate the internationalization year after being only focused on the domestic market?", The present study allowed us to identify new variables that can be worked out in future research.

Thus, in addition to the variable identified in the literature, we propose new five variables that emerged from this study:

- Significant involvement with the company before the succession;
- External factor not attributable to the company;
- Motivation for entry into the company;
- Internal path;
- Other languages speaker.

For a future investigation it is important to extend our analysis to non-Portuguese companies and to increase the sample size.

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