

SUCCESSION PLANNING IN THE FAMILY BUSINESS

(A Case Study of Sampurna Photo Studio)

THESIS

**Presented as Partial Fulfillment of the Requirements
For the Degree of Sarjana Ekonomi (S1) in Management Program
Faculty of Economics University of Atma Jaya Yogyakarta**



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FACULTY OF ECONOMIC

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THESIS
SUCCESSION PLANNING IN THE FAMILY BUSINESS
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Yogyakarta, January 7th, 2008

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(A Case Study of Sampurna Photo Studio)

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STATEMENT OF THESIS AUTHENTICITY

I am Ria Arnandra Dinari hereby declare that I compiled this thesis with the following title:

SUCCESSION PLANNING IN THE FAMILY BUSINESS (A Case Study of Sampurna Photo Studio)

is really my own thinking and writing. I fully acknowledge that my writing does not contain others' or part(s) of others' writing, except for those that have been cited and mentioned in the references.

Yogyakarta, January 7th, 2008



Ria Arnandra Dinari

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The writer realizes that there are still a lot of mistakes in this thesis, let the writer apologizes before. Suggestions and comments are very welcome for the improvement of this thesis. At least but not at last the writer hopes that this thesis can bring advantages and useful to the readers.

Yogyakarta, January 2008

Ria Arnandra Dinari

MOTTO

Fiat voluntas tua
(Terjadilah padaku menurut kehendak-Mu)

GOD is good
If you believe on Him
then give Him all of your heart

Dum spiro spero
[selama aku bernafas, aku berharap]

This Thesis is dedicated to:

♥ *My God, my Shepherd, Jesus Christ*

♥ *Holy Virgin Mary*

♥ *My Beloved Family that God has given to me*

(My father, my mother and my brother)

TABLE OF CONTENTS

TITLE PAGE.....	i
ADVISOR LEGALIZATION.....	ii
STATEMENT OF THESIS LEGALITY.....	iii
STATEMENT OF THESIS AUTHENTICITY.....	iv
ACKNOWLEDGEMENT.....	v
MOTTO.....	viii
DEDICATION	ix
TABLE OF CONTENTS	x
LIST OF TABLES.....	xiii
LIST OF FIGURES.....	xiv
ABSTRACT.....	xv

CHAPTER I INTRODUCTION

I.1	Background Information.....	1
I.2	Problem Definition.....	4
I.3	Limitation of Research.....	4
I.4	Main Objectives.....	4
I.5	Expected Benefits of the Study.....	5
I.6	Research Design.....	6
II	Writing Structure.....	12

CHAPTER II THEORETICAL BACKGROUND

II.1	Family Business.....	8
II.2	Family Business Succession Planning.....	9
II.3	Obstacles in the Family Business Succession.....	14
II.4	Strategies of Family Planning.....	14

CHAPTER III RESEARH DESIGN

III.1	Company Profile.....	24
III.2	Time and Place of the Research.....	25
III.3	The Type of Research.....	25
III.4	Data Collection Method.....	27
III.4.1	Primary Data.....	27
III.4.2	Secondary Data.....	28
III.5	Data Analysis Method.....	28

CHAPTER IV DATA ANALYSIS

IV.1	Data Source.....	29
IV.2	Data Gathering.....	32
IV.3	Data Descriptions.....	33
IV.3.1	Founder of Sampurna point of view.....	33
IV.3.2	Offspring of Sampurna point of view.....	38

CHAPTER V CONCLUSION

V.1	Preface.....	55
V.2	Managerial Implications.....	59

V.3	Limitations.....	61
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REFERENCES

APPENDIXES

LIST OF TABLES

Table II.1	Transfer of power in a family business (Churchill and Hatten)	19
Table II.2	Principles of succession planning	22

LIST OF FIGURES

Figure II.1 Planned successors	13
Figure II.2 Preparation for successors	16
Figure IV.1 The family tree of Sampurna	30
Figure IV.2 Organizational structure of Sampurna	46
Figure IV.3 Framework	50

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ABSTRACT

The main purpose of the study is analyzing the strategies of succession planning that has been done by Sampurna Photo Studio as one of the family-owned business and also the obstacles in the succession planning in the Sampurna Pgoto Studio.

The research method used in this research is qualitative research by in-depth individual interview.

The finding of the research state that succession planning is very important in the family business, so there will be no conflict between the successors. The owner of Sampurna photo studio has already made some steps of strategy to do the succession planning to make this family business survive even though not in the written form. The strategies consist of some steps, which are owner- managed business, training and development of new generation (initiation phase), partnership between generations (selection and education phase), and finally transfer of power to the next generation. The obstacles in this process are different opinions among the family members, fear of change from the employees, jealousy / rivalry toward successor, and clients or suppliers depend on the founder and clients or suppliers do not trust or have confidence in the potential successor.

Keywords: succession planning, family business