

PROPOSED FAMILY BUSINESS LEADERSHIP TRANSITION STRATEGY AT PT SMA

Liana Aripin

Institut Teknologi Bandung, indonesia
deboralianaaripin@gmail.com

Abstract

Effective leadership transitions are critical to the continuity and stability of family businesses, especially during generational shifts, which often bring significant challenges in conflict management. PT SMA, a family-owned food manufacturer, recently experienced a leadership change from the founder to a younger, less experienced leader. This transition caused conflict among stakeholders due to inadequate succession planning and differing perspectives across generations. This study examines strategies to address these conflicts and challenges at PT SMA. Key conflict points identified during leadership transitions include adjustments in leadership style and strategic vision, which can have a negative impact on organizational performance. This study proposes a structured approach to effective conflict management, emphasizing the development of a clear succession plan, facilitating conflict resolution, aligning organizational culture, and effective change management. By implementing these strategies, PT SMA aims to achieve a smoother transition, minimize conflict, and promote organizational stability. The findings will provide valuable insights for PT SMA and similar family businesses on the success of transition management and its impact on continued success. This study highlights the need to address challenges such as employee turnover and strategic disagreements, which can lead to dissatisfaction among long-term employees. Ultimately, effective conflict management is critical for new leaders to navigate these challenges and ensure a successful leadership transition. focus and advise on effective change management.

Keywords: Generational shift, conflict management, leadership transition, family business, inadequate succession planning

*Corresponding Author: Liana Aripin
E-mail: deboralianaaripin@gmail.com



Introduction

Business family play role important in global economy, providing significant contribution to creation field work, innovation, and formation riches. Birdthistle & Hales, (2023) highlight that company family donate substantial proportion to global GDP, which shows importance they in a way economy. Although contribution its economy big, business family often face challenge unique originating from from intersection dynamics family and operations business. One of the the most significant challenges is transition leadership, a process that can determine sustainability term long from companies this (Lambrecht & Lievens, 2008).

Transition leadership in business family No just problem pointing successor ; this involving management connection complicated family, coping difference

generation, and ensure harmony between objective family and business. Alderson, (2015) emphasize importance management effective conflict during succession. For reduce potential dispute and maintain stability organization. Complexity transition leadership the more exacerbated by global trends such as increasing diversity in structure family, progress rapid technology, and market dynamics that continue to develop (Caputo et al., 2018).

Urgency For handle transition leadership in business family emphasized by worrying statistics about sustainability business. Studies show that only 30% of business the surviving family until generation second, and only 12% achieved generation third (Morris et al., 1997). Numbers This highlight need urge will planning strong succession and development strategy leadership. Rothwell (2010) emphasized that planning effective succession No only ensure continuity leadership but also build resilience and adaptability organization.

Review literature disclose the more the amount study about factors that influence success transition leadership in business family. Themes main covering role culture organization (Cameron & Quinn, 2011) impact gap communication (Morrison, 2011), and its importance development leader generation next (Miller, 2014). De Massis, Frattini, and Light (2016) argue that that transparent and consistent communication is essential For manage expectations and building trust between stakeholders interest during the transition process. In addition, the construction of "familiness", as defined by Le Breton-Miller and Miller (2015), highlighting source power and ability unique that appears from overlap overlap system family and business, which can utilized For facilitate successful transition.

Although there is outlook this, still There is gap in understanding about method overcome challenge specific like conflict between generations and diversity culture in business family. Gavrić & Braje, (2024) take notes that management diversity culture is very important in an increasingly global economy, because in a way direct influence performance team and results organization. Likewise, Moreno-G & Gallizo, (2021) emphasize importance recognize and overcome difference generation For increase profitability and sustainability business.

Based on findings this, research This aiming For propose a transition strategy leadership in business family, with focus specifically at PT SMA. Research This make an effort integrate outlook theoretical with solution practical For overcome challenge unique challenges faced by organizations this. With adopt approach qualitative, as recommended by Naeem et al. (2023), studies This will develop a conceptual model that includes practice best in planning succession, management conflict, and development leadership.

Proposed strategy will use framework mark compete (Cameron & Quinn, 2011) For align culture organization with objective leadership. In addition, research This will explore role mentoring and feedback mechanisms turning, as highlighted by Gilley, Gilley, and McMillan (2009), in prepare leader generation next. With handle conflict tasks and relationships, as described by (De D & Weingart, 2003), research This aiming For facilitating a harmonious transition process that balances priority family and business.

As conclusion, research This aiming For give contribution to the literature about transition leadership business family with overcome existing gaps and offers recommendation customized practical with PT SMA context. With integrate outlook from various discipline knowledge and use attribute unique business family, research This aiming For increase sustainability and resilience entity this vital economy.

RESEARCH METHODS

Types of research

This study uses a qualitative descriptive research method. This method was chosen to explore the phenomenon of leadership transition in PT SMA, including conflict, generational differences, and challenges in succession planning.

Research Approach

A qualitative approach was used to gain an in-depth understanding of stakeholders' experiences of leadership transitions. This approach allowed for exploration of the social and cultural contexts that influence the success of transitions.

Population and Sample

The research population includes all employees of PT SMA, especially those who have experienced a leadership transition from the previous leader to the new leader. The sample was selected purposively, involving new leaders, managers, and employees from various levels relevant to the research.

Method of collecting data

Interview

In essence, defining problem research and describing the research design or plan is the first step in the responsibility of data collection. In other words, the importance of data collection stems from the fact that research cannot be conducted without obtaining the specific information needed (Syeda, 2021). Interviews are very appropriate for using qualitative research to address conflict management issues resulting from leadership change. In addition, primary data consists of information that is collected for the first time, which is fresh and original, as opposed to secondary data, which consists of information that has been collected by other parties.

Primary Data

Information In-depth and direct information about personal experiences and perspectives on conflict resolution during leadership change can be obtained through interviews. They help to learn about personal experiences and learn more about how shifts affect conflict and conflict resolution techniques. Semi-structured interviews with key stakeholders and new leaders will be the method used during the interviews. Also, utilize open-ended questions to promote thorough answers and facilitate the investigation of surprising themes. Here are some of the questions asked by the researchers in collect primary data

Table 1. Interview Questions For New Leaders

No	Question
1	Do you think your previous leader has prepared you well as his successor in the company? Do you feel adequately prepared for your role? Explain.
2	What specific challenges particularly in terms of generational differences did you face during the transition as a result of inadequate succession planning?
3	What strategies do you think can help ensure a smooth transition between different generations?
4	In your opinion, how does the lack of a clear plan impact the effectiveness of succession planning?
5	In your opinion, what are the main expectations employees have about succession planning in an organization?
6	Can you give a specific example of a communication challenge you faced when interacting with employees?
7	How do you plan to bridge the communication gap between different generations in the organization?
8	How do you see conflict management strategies contributing to the succession planning process?
9	Can you talk about the lessons you've learned from the transition that have shaped your current approach?

Table 2. Questions Interview For Employee

No	Question
1	What are your expectations regarding the organization's approach to succession planning?
2	From your perspective, what challenges do you face within the existing succession planning framework?
3	Have you witnessed conflicts arising from these leadership changes? If so, how were they managed?
4	What approaches do you think can facilitate the resolution of long-standing conflicts and foster a harmonious team atmosphere?
5	Do you think the previous leader had a clear succession plan? Explain.
6	To what extent do you think you are aware of your organization's efforts to plan for succession?
7	What suggestions do you have for improving communication to ensure all voices are heard in the succession planning process?
8	How do you think different generations of organizations respond to leadership changes in companies?

-
- 9 In your opinion, what practices should be implemented to ensure a successful transition?
-

Secondary Data

Study this also includes examination of secondary data including related news articles, scientific journals, and other relevant information to support more relevant and in-depth exploration of the material.

RESULTS AND DISCUSSION

Analysis Comparative Findings Interview

Before explain and analyze each further conflict, it is necessary to know, understand, and summarize each interviewee 's point of view. Below is attached a comparative analysis of the interviewees.

Table 3. Overview Analysis Comparative Interviewees

Aspect	Employee 1 (Finance Manager)	Employee 2 (Accounting Staff)	Employee 3 (Production Manager)	Summary
Succession planning	Propose organized, open or transparent procedures.	offers possibilities for professional growth and mentoring.	places a strong emphasis on being proactive in communicating changes sequentially.	There is agreement that there is a lack of clear succession planning, but there are differing opinions on how to make it better.
Generation Challenge	observing opposition to younger leaders from senior staff / Observing skepticism regarding the abilities of younger leaders , which leads to changeover .	highlights the difficulties middle-aged employees experience in adjusting to new management styles and new regulations especially those coming from the older generation.	found that mid- career employees were uncertain, but younger staff were more enthusiastic and flexible.	Everyone interviewed acknowledged that the generation gap poses serious problems, especially in terms of leadership styles and communication preferences.

Communication gap	Prefer frequent updates to help the succession plan gain credibility.	Suggesting understanding and mentoring as a means to bridge the generation gap.	Encourage regular team meetings to improve communication.	Everyone agrees that communication is a big deal; ideas include team meetings, coaching, and frequent updates.
-------------------	---	---	---	--

In general, everyone raised the same points, such as the need for succession planning, communication difficulties, and generational gaps. For example, in the aspect of generational challenges, all interviewees discussed and considered the differences between younger staff and older generation employees. Although each discussed slightly different aspects of each issue, representing their own perspectives and positions within the company, they essentially made the same points.

Leadership transition challenges

Studies on family business leadership transitions show a complex range of choices and challenges, reflecting the change from one generation to the next, which is usually the son or daughter of the previous leader. This process requires a combination of inadequate planning, communication gaps and the generation gap that occurs during the transition. This section begins with a brief table summarizing the key points and difficulties associated with family business succession. It draws attention to a number of challenges posed by generational change, such as communication barriers and generational gaps. These difficulties are grouped together with possible improvements. A comprehensive study that provides a detailed explanation of each aspect of the succession process and solutions to fill gap must be done.

Planning succession that is not adequate

Table 4. General overview about planning succession that is not adequate

Challenge	Problems and Characteristics	Proposed Solution (By researcher)
Lack of clear succession planning / inadequate succession planning	<ul style="list-style-type: none"> -Founders are not aware of succession planning -Uncertainty of successors regarding leadership roles and responsibilities -Ambiguity that hinders decision making - The need for a succession planning process 	<ul style="list-style-type: none"> Develop a comprehensive succession plan that outlines roles and timelines. Open communication / transparency

Inadequate training and guidance for successors	<ul style="list-style-type: none"> -The successor may not have the skills and experience required for the job. -Lack of confidence in decision making 	Create a mentorship program to help aspiring leaders by offering them support and guidance.
The need for succession planning	<ul style="list-style-type: none"> - Lack of clear communication - Resistance to change 	<ul style="list-style-type: none"> - Improve communication and transparency - Provide training on change management

The table above shows the challenges and concerns faced primarily by new leaders of PT SMA followed by the issues and characteristics and suggested solutions made by the researcher to them. A more comprehensive inadequate succession is provided below:

a. Lack of planning clear succession

Lack of a clear succession plan often has a negative impact on organizational stability and leadership during leadership transitions. Effective decision-making can be hampered by ambiguity over leadership roles caused by the lack of a clear succession plan. This is because the previous leader did not realize the importance of succession planning and was late in preparing the succession plan. As a result, this affects potential successors who feel unclear about their responsibilities and authorities as a result of this uncertainty, which creates problems in the organization especially employee morale. In addition, this effect causes employees to be unaware of sudden changes and causes employee resistance. Workers can have a sense of loss or insecurity because they worry that the future of the company is unclear if there is no experienced leader. There is still no trust between employees and the new leader. The problem can be worse if the new leader is inexperienced or unfamiliar with the company's operations and culture.

Given these difficulties, it is critical that family businesses give top priority to creating a comprehensive succession plan. According to Lambrecht and Lievens (2008), family businesses can increase their resilience, ensure continuity, and preserve a strong organizational culture that fosters long-term success by proactively developing a succession plan. clear succession.

b. Inadequate training and guidance for successors

Inadequate training and mentoring for successors is a significant problem in family businesses, such as PT SMA, which can significantly hinder the success of a leadership transition. Successors may feel overworked and unprepared for the demands of running a business as a result of this lack of planning. Without a structured training program, successors may struggle to gain confidence in their decision-making abilities.

With the help of a solid mentoring relationship, successors can gain a deeper understanding of the company's history, values, and operational difficulties. When experienced leaders actively coach their successors, they foster a culture of information exchange and facilitate a smoother transfer. fluent (Sharma et al., 2003). To address these challenges, family businesses must prioritize implementing

comprehensive training and mentoring programs. Companies can provide a sense of accountability and ownership to their successors by supporting their training, empowering them to take on leadership roles, and leadership with guarantee.

c.Necessity planning succession

Of all these challenges, it illustrates that a smooth transition and the least operational changes are made possible by effective succession planning, which ensures that the business is prepared for unexpected leadership changes. In this case, the younger leader taking over the position may not have the same background and familiarity with the company as the outgoing leader. Employees may become confused and unstable as a result of the sudden change in leadership style, priorities, and expectations if there is no clear succession plan. In addition to identifying potential future leaders, a clear succession plan defines the education and training needed to prepare them for their positions, promoting stability and consistency during the transition.

Employees feel more secure and committed to the organization when they see that a proactive plan for leadership change is in place. Employees may feel uncertain about the direction of the company and their responsibilities within it after a sudden loss, so this sense of security is critical. According to research by Rothwell (2010), succession planning helps businesses develop a pipeline of leaders who share their vision and goals. It also strengthens the overall talent management strategy and helps ensure leadership continuity.

The Gap generation

Table 5. Overview gap generations and succession strategies

Challenge	Problems and characteristics	Proposed solution
Different in leadership and management style	<ul style="list-style-type: none"> - The founders preferred a more traditional style. -more into collaborative and participatory decision making -The founders are more into hierarchical and authoritative style. -Different points of view between the older and younger generations 	<ul style="list-style-type: none"> - Leadership and management training (Employee recommendation 3) - Promote a culture of flexibility and adaptability (Researcher Recommendation) -Cross-generational mentoring program (Employee 2 recommendation)
Different in values and priorities	<ul style="list-style-type: none"> -Founders may be more focused on short-term profitability -Successor more into long-term sustainability -Founders prefer formal and structured communication -successors seek more feedback and collaborative communication 	<ul style="list-style-type: none"> - Establish Clear Organizational Values (Researcher Recommendations) -Implementing Flexible Work Policies (Researcher's recommendation) -Encourage open feedback (Researcher recommendation)
Resistance to change	<ul style="list-style-type: none"> - Established leaders are more into stability and risk avoidance -Successors are more likely to embrace innovation and risk 	<ul style="list-style-type: none"> - Promote open communication between older and younger leaders (Employee recommendation 3)

	<ul style="list-style-type: none"> -Established leaders tend to use traditional methods -successors are often more open to innovation 	<ul style="list-style-type: none"> -Involve all generations in the change process (Employee Recommendation 1)
Disagreement over resource allocation	<ul style="list-style-type: none"> -Older generations prioritize financial stability and conservative investing. -Younger leaders can advocate for more aggressive investment in innovation and technology. 	<ul style="list-style-type: none"> - Set clear strategic goals that reflect the interests of older and younger leaders (Researcher Recommendation) - Transparency in decision making (Researcher Recommendation)
Mismatch between expectations and desires	<ul style="list-style-type: none"> - Different leadership aspirations - Different views on business growth and risk -need for open communication and alignment of goals 	<ul style="list-style-type: none"> - Facilitate open dialogue or discussion (employee recommendation 2) - Establish clear role definitions (employee recommendation 1) - Implement flexible policies (Researcher recommendation)

The table above shows the challenges and concerns regarding the generation gap between previous leaders and new leaders and also between new leaders and older generation employees followed by the problems and characteristics and suggested solutions made by researchers and employees towards it. A more comprehensive inadequate succession is provided below:

c. Different in style leadership and management

In family business leadership, generational gaps often emerge as significant variations in management and leadership approaches. Traditional, hierarchical methods that prioritize authority, structure, and established protocols are generally preferred by the older generation. This approach uses tried-and-true techniques to direct operations and decision-making, placing a high value on stability and risk avoidance. Such authoritative leadership can enhance a sense of stability and control, but it can also stifle creativity and limit the contributions of younger team members who are willing to share their thoughts and perspectives, according to research by Sharma et al. (2003).

Younger leaders, including current PT SMA leaders, on the other hand, typically favor an inclusive and cooperative management approach. They often value honest communication, adaptability, and flexibility in an effort to foster a space where everyone's opinions are heard. Younger generations place a greater priority on work-life balance, transparency, and clear goals in their work, which is indicative of broader shifts in society (Chua et al., 2012). However, these differing approaches can lead to miscommunication and conflict within leadership groups as younger leaders may feel constrained by the strict demands of their predecessors, and view the former leader's strategies as outdated or too restrictive, while those in the older generation in the company may view the younger leader's methods as too informal or unstructured.

Employee engagement and decision-making procedures can be affected by these variations in leadership philosophy. For example, a younger leader may place more emphasis on innovation and market adaptation, whereas the previous leader would have prioritized long-term stability and risk avoidance. Employees may become confused as a result of these changing priorities, unsure of the company's strategic direction and their place within it. Building an environment of mutual respect and open communication is essential to closing this gap and motivating leaders of all ages to exchange ideas and collaborate on strategic choices.

d. Different in values and priorities

In family businesses, generational gaps often reveal stark differences in goals and values, which affect how each generation approaches work and makes decisions. Older generations tend to value long-term relationships and the continuation of family traditions, and they place a higher value on stability, loyalty, and a strong work ethic. Focusing on these habits can lead to an inoffensive corporate strategy that prioritizes risk avoidance and maintaining time-honored traditions. In contrast, younger generations value creativity, flexibility, and social responsibility. They place a high value on corporate culture and collaboration. Younger leaders are more likely to push for change, emphasizing the importance of aligning the company's operations with current moral principles and environmental goals. These shifting values can lead to conflict in family businesses because younger leaders may view the older generation's emphasis on tradition as an obstacle to progress, while older leaders may view the younger leader's priorities as reckless or at odds with the company's core values. Additionally, employees may find themselves torn between new and traditional leadership approaches. Tensions can arise if the successor's push for collaboration is met with resistance from those who benefited from the first-generation leader's aggressive style.

Family businesses must foster an atmosphere that promotes honest communication across generations to address this gap. Bridging the gap and promoting a shared vision of the future can be achieved by facilitating conversations about values and priorities. A more integrated approach to business decisions can result from holding strategic planning meetings that take into account the perspectives of all view second generation.

e. Resistance to change

Problem main with family businesses are resistant to change, which is often exacerbated by the age gap in leadership. Prioritizing stability and avoiding risk, older generations tend to show a strong allegiance to tradition and traditional values. This can result in a reluctance to embrace new approaches or new technologies promoted by younger executives. Younger generations, on the other hand, tend to embrace change and be risk takers because they believe it is necessary to stay relevant. Their focus is on adaptability and creativity, advocating for modifications that are in line with contemporary company procedures and customer demands.

Because they see a younger leader's new ideas or methods as unnecessary interruptions to tried and true methods, older generation people may be hesitant to adopt them. This reluctance may be due to fear of the unknown because routines offer security and comfort. As such, employees may resist the new leader's plans, making it difficult to make the necessary adjustments. According to research by Le Breton-

Miller and Miller (2015), overcoming resistance to change requires cultivating a culture of collaboration and open communication across generations. Family businesses can better manage the challenges of change and harness the capabilities of each generation by encouraging communication and involving both generations in the decision-making process. decision.

f. Disagreement about allocation resource

Family businesses often experience disagreements about resource allocation due to generational differences in leadership priorities and perspectives. Older generations typically focus their resources on preserving the family legacy and running established businesses. This cautious attitude is a reflection of their experience building companies in unpredictable times when having a stable financial future was critical. Younger executives, on the other hand, are typically more willing to invest in technology, innovation, and untapped markets. This push for development and flexibility can cause problems because younger executives may view older leaders' reluctance to fund new projects as a barrier to progress. On the other hand, employees may also become unclear and confused about the company's priorities as a result of disagreements about resource allocation as well as between proposed new strategies and the old ways they are used to.

Involving both generations in discussions about resource allocation and promoting transparency can help family firms better align their strategic goals, according to research by Lambrecht and Lievens (2008). This cooperative strategy not only helps close the generation gap but also leverages superiority every generation.

g. Incompatibility between hopes and desires

Leadership and organizational cohesion may be severely hampered in family businesses by misalignment of generational expectations and goals. In terms of work ethic, commitment, and following established procedures, older generations often have traditional expectations. On the other hand, innovative ideas, flexibility, and a better work-life balance are often desired by younger generations. They may want to be involved in decision-making and seek arrangements that promote their goals for career advancement and personal fulfillment.

In addition, this age gap also affects the company's anticipated goals for the future. Older employees may prioritize maintaining the company's profitability and legacy, while younger leaders often encourage innovation and flexibility in responding to changing market conditions. To address this mismatch, Chua et al. (2012) emphasize the importance of cultivating a culture of collaboration and mutual respect. By promoting honest discussions that allow both generations to express their goals and aspirations they.

The Gap communication**Table 6. Review gap communication and succession strategy**

Challenge	Problems and Characteristics	Proposed solution
Lack of knowledge and alignment on employee issues	<ul style="list-style-type: none"> - Differences in HR management strategies - Misinterpretation of employee needs - Inconsistent messages - First generation top-down approach and next generation interactive communication 	<ul style="list-style-type: none"> - Clear communication channels or regular cross-generational discussions (Researcher recommendation) - Open communication (Employee 2 & 3 recommendations)
Miscommunication as a result of different expectations and communication styles	<ul style="list-style-type: none"> - Older generations prefer formal communication - The younger generation prefers informal/direct interactions - Challenges in knowledge transfer 	<ul style="list-style-type: none"> - Implement cross-generational training (Researcher recommendation) - Cultivate a culture of open communication (Employee Recommendations 2 & 3) - Overcoming differences in communication styles (Researcher Recommendations)
Uncertain expectations and poor feedback processes	<ul style="list-style-type: none"> - Ambiguity in task execution methods - inadequate or no feedback from generation First 	<ul style="list-style-type: none"> - Building clear communication (Researcher Recommendation) - Strong feedback mechanism (Researcher recommendation)
Gaps in the methods used to resolve conflicts	<ul style="list-style-type: none"> - The older generation prefers a formal and structured approach. For resolution conflict - Younger generations may prefer more informal, direct discussions that focus on collaboration. - Older generations rely more on indirect communication 	<ul style="list-style-type: none"> - Create a unified framework or procedure for resolving conflicts. (Researcher recommendation) - Promote clear lines of communication (researcher recommendation)

	- Younger leaders can choose the straightforward one	
The need to understand different points of view and overcome communication gaps	<ul style="list-style-type: none"> - Younger leaders need to make more effort to understand and respect the perspectives of older generations. - Creating credibility and trust in intergenerational communication 	<ul style="list-style-type: none"> - Adapt and understand diverse communication styles (Researcher Recommendation) - Harmonious relationships between generations (Researcher Recommendation)

In this communication gap table runs the challenges and problems that come due to communication between new leaders and employees as well as the result of different generations followed by the proposed solutions from the researcher.

h. Lack of knowledge and harmony about employee issues

The effectiveness of family business leadership can be seriously compromised by a lack of understanding and agreement with staff concerns caused by communication gaps. Leaders may make inaccurate assumptions when they lack knowledge of the particular issues facing employees. For example, older leaders may prioritize operational effectiveness while ignoring the needs of younger employees for flexibility and work-life balance. Employee dissatisfaction and disengagement can arise from policies that do not take their needs into account.

Additionally, when there is no cohesive strategy for employee grievances, staff members may feel more alone because they believe their opinions are not valued. Employees may be reluctant to voice their concerns without a regular feedback system and clear communication routes, which can leave issues unresolved and further strain management-staff relationships. According to research by Chua et al. (2012), creating an inclusive workplace culture that promotes open communication is critical to closing the generational knowledge gap.

i. Miscommunication as consequence from different expectations and communication styles

In family business leadership, misunderstandings caused by different expectations and communication styles are common and can lead to disagreements and inefficiencies. Younger leaders tend to prefer more direct and informal communication methods, such as instant messaging and open conversations, while older leaders tend to prefer a more formal communication style, depending on established procedures and planned meetings. Since messages may be understood differently depending on the perspective of the recipient generation, these differences can cause confusion for employees. On the other hand, differences in communication styles between the first and second generations can also cause conflict between them and they hesitate to make decisions.

Additionally, differing expectations of dispute resolution and feedback can exacerbate this communication gap. Younger workers will want instant, informal feedback, while older generations may anticipate structured, formal feedback meetings. This can lead to resentment and feelings of underestimation among younger leaders when these expectations are not met. Lack of knowledge about these

different communication styles and expectations can hinder productive teamwork and hurt overall organizational performance, as noted by Chua et al. (2012). Clear, open, and transparent communication is therefore essential to resolving and addressing employee expectations.

j. Unmet expectations sure and bad feedback process

Family business leadership communication gaps can be greatly exacerbated by unclear expectations and poor feedback systems. In the absence of clear expectations for roles, tasks, and performance indicators, employees may find it difficult to understand their responsibilities. Due to uncertainty about their contribution to the company, people may become confused and less motivated as a result of this ambiguity. De Massis et al. (2016) found that unclear expectations can lead to misaligned goals, which further compromises team dynamics and productivity.

In addition, the procedure Poor feedback exacerbates this problem because workers cannot get the direction they need to advance or align themselves with company goals. Employee engagement may suffer and they may feel disconnected from leadership if they receive feedback that is too formal, ambiguous, or infrequent. Chua et al. (2012) suggest that this lack of constructive criticism can hinder professional and personal growth, leaving workers feeling neglected and underappreciated. New leaders can close this gap and create a more engaged and cohesive team during the transition by setting up clear feedback systems and communication routes that engage for all generation.

k. Gap in methods used to resolve conflicts

When a family business experiences a change in leadership, differences in conflict resolution techniques can present serious challenges. Conflict and miscommunication may arise because different generations often approach conflict resolution differently. For example, younger leaders may favor informal, collaborative tactics, while older leaders may favor formal, structured procedures. These differing communication styles can hinder productive discourse during disagreements, leaving issues unresolved and possibly damaging relationships. Such generational differences in conflict resolution techniques can hamper the entire transition process, reducing team cohesion and impacting organizational performance.

In addition, during times of transition, these differences can make it difficult to create a cohesive workplace. Employees may become skeptical and resistant to new ideas if they believe the younger leader's strategies are inadequate or unprofessional. On the other hand, communication gaps that hinder collaboration can arise from the younger leader's inability to understand the ingrained expectations of the older staff. Therefore, as Chua et al. (2012) point out, it is important to encourage a culture of understanding and adaptability in conflict resolution techniques to improve collaboration and communication. It is important to implement training sessions that highlight the benefits of different strategies and encourage open discussion. about resolution conflict .

l . The need for understand corner different perspectives and bridging communication gaps

This is the bottom line that understanding different perspectives is critical to addressing the communication gaps that occur during the succession process in family business leadership transitions. New leaders can better navigate the challenges of this

transition by having a thorough understanding of the perspectives of the workforce, especially those who may have worked for the former leader for a long time. Older workers may resist new ideas or methods because they have deep attachments to the vision and management style of the past leader. Maintaining morale during difficult times requires new leaders to build trust, validate employee views, and foster a sense of inclusion by actively engaging with diverse perspectives through open dialogue and listening sessions.

It is equally important to bridge the communication gap that often occurs during such transitions. While younger leaders tend to prefer a more relaxed and collaborative approach, new leaders must address the communication style gap, as older generations may prefer more formal interactions. Everyone can feel heard and valued by creating open lines of communication and welcoming criticism. Organizations will also have a more unified path when a clear vision is communicated and aligned with the hopes and concerns of the workforce. Embracing other perspectives not only reduces miscommunication but also strengthens organizational resilience, enabling businesses to successfully navigate this critical transition, as noted by Lichtenstein and D'Aunno (2021).

1. Proposed Solution Summary

There are many proposed solutions mentioned above, in order to provide a more efficient method to address succession planning, generation gaps, communication breakdowns, and leadership disputes within the company, this section compiles the proposed solutions and combines comparable solutions.

Table 7. Summary of Proposed Solutions

Challenge	Proposed Solution	Description
Succession planning	Structured Planning	Providing clear succession planning including the obvious roles and responsibilities for successor to ensure smooth transition.
	Mentoring and Training Program	Forming mentors and Training for successors especially in his role and to gain the confidence to lead and the skills needed to become a leader in the company.

	Proactive Communication	Make regular updates and awareness to employees About Succession Planning and who will be the next leaders to reduce uncertainty.
Generation Difference	Cross Generation Training	Providing training to promote Awareness and understanding from various communications and management style.
	Encourage Collaboration and Freedom	Leaders motivate groups decision making and Adaptable leadership techniques, such as guidance throughout Generation.
	Aligning Organizational Values and Goals	Establish and share common ground ideals that achieve balance Between Short Term Goals and long-term survival.

The Gap communication	Open and Inclusive Communication Channel	Create a regular channel for communication, like a team Meetings and feedback sessions, to promote openness, inclusiveness, and clarity of hope.
-----------------------	--	--

Adjust Communication Style	Urging leaders to balance formal and informal Communication approaches in according to generation preference.
----------------------------	---

Business Solutions

In addressing the leadership transition challenges highlighted in this study, it is important to structure the proposed solutions into broad areas. This will keep redundancy to a minimum and will be easier to implement, mainstreaming the solutions into resource management and operational efficiency. Therefore, all proposed solutions fall into five areas of interest: Leadership Development and Training, Generational Collaboration and Adaptability, Optimizing Communications, Strategic Succession Planning, and Value Alignment and Cultural Cohesion.

Table 8. Business solutions

Group	Proposed Solution	Description
Leadership Development and Training	- Integrated Training Program: Comprehensive guidance in mentoring and leadership.	Develop confidence and leadership skills while equipping successors with the resources they need for a smooth transition.
	- Focus on Succession Preparedness: Methodical instructions align with succession planning objectives.	

Collaboration and Adaptability of Generations	<ul style="list-style-type: none"> - Cross-Generation Program: Mentoring and training to close the generation gap. - Leadership flexibility includes cooperative decision making and flexible workplace rules. 	To enhance cooperation and decision-making, promote intergenerational understanding and adaptability.
Communication Optimization	<ul style="list-style-type: none"> - Unified Communication Channel: a standard and inclusive channel for frequent updates. - Feedback mechanisms: easy to understand, clear and accessible. 	Ensure that communication flows easily, takes into account generational variations, and encourages participation and transparency.
Strategic Succession Planning	<ul style="list-style-type: none"> - Open/transparent process development: Clearly defined roles, tasks and deadlines. - Integrating conflict management: Handling resistance and increasing trust during change. 	To build trust and reduce disruption, proactively manage succession using integrated conflict resolution techniques and organized planning.
Alignment of Values and Cultural Cohesion	<ul style="list-style-type: none"> - Establish shared values, such as long-term plans and company goals. - Develop a collaborative vision that aligns staff expectations with new leadership. 	By uniting leaders and employees around shared values and goals, you can foster a unified company culture that will support long-term success.

The company faced challenges due to the lack of clear succession planning, which had caused uncertainty and affected morale. Generational differences in values, work styles, and communication preferences had created resistance to change and misunderstandings, reducing team cohesion. Leadership transitions also caused conflict, with the new leader's approach leading to skepticism and decreased trust. All of these conflicts led to the five areas of interest of the proposed solutions and to the point where conflict management strategies played a vital role for the above proposed solution categories to run smoothly.

CONCLUSION

Study This highlight issue critical related transition leadership in business family, especially challenges that arise consequence planning succession that is not adequate, gap communication, and differences generation. Findings show that transition effective leadership need plan clear succession, mentoring and training programs for successor, and communication open involving all over stakeholders interests. Lack of planning succession cause uncertainty role successors and lower employee morale, while gap generation create difference value, style communication, and priorities that worsen conflict. In the context of this, management effective conflict become element important For create harmonious and inclusive transition. Recommendation study This covers development plan structured succession, improvement collaboration between generation, and implementation channel inclusive communication. With By integrating these strategies, PT SMA can increase stability organization, strengthening cohesion team, and ensure sustainability business in term long.

BIBLIOGRAPHY

- Alderson, K. (2015). Conflict Management and Resolution in Family-Owned Business. *Journal of Family Business Management*, 5(2), 140-156.
<https://doi.org/10.1108/JFBM-08-2015-0030>
- Birdthistle, N., & Hales, R. (2023). The Family Business – Meaning and Contribution to Global Economies. Emerald Publishing Limited,13-25. <https://doi.org/10.1108/978-1-80455-209-420231002>
- Bakry, L., & Klein, M. (2021). Succession and Post Succession Conflicts in Family Firms. *Jonkoping International Business School*. 1-82. <http://www.diva-portal.se/smash/get/diva2:1556811/FULLTEXT01.pdf>
- Bozer, G., Levin, L., & Santora, J. C. (2017). Succession in family business: multi-source perspectives. *Journal of Small Business and Enterprise Development*, 24(4), 753–774. <https://doi.org/10.1108/JSBED-10-2016-0163>
- Carr, J. C., & Hmieleski, K. M. (2015). Differences in the Outcomes of Work and Family Conflict between Family– and Nonfamily Businesses: An Examination of Business Founders. *Entrepreneurship Theory and Practice*, 39(6). 1413-1432. <https://doi.org/10.1111/etap.12174>
- Caputo, A., Marzi, G., Pellegrini, M.M., & Rialti, R. (2018). Conflict Management in Family Businesses: A Bibliometric Analysis and Systematic Literature Review. *International Journal of Conflict Management*, 29. [10.1108/IJCMA-02-2018-0027](https://doi.org/10.1108/IJCMA-02-2018-0027).
- Cameron, K.S., & Quinn, R.E. (2011). *Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework* (3rd ed.). Jossey-Bass
- Chua, J. H., Chrisman, J. J., & Sharma, P. (2012). Defining the Family Business by Behavior. *Entrepreneurship Theory and Practice*, 36(2), 107-126. DOI: [10.1177/104225879902300402](https://doi.org/10.1177/104225879902300402)
- De Dreu, C.K.W., & Weingart, L.R. (2003). Task versus relationship conflict, team performance, and team member satisfaction: A meta-analysis. *Journal of Applied Psychology*, 88(4), 741-749. DOI: [10.1037/0021-9010.88.4.741](https://doi.org/10.1037/0021-9010.88.4.741)
- de Massis, A., Frattini, F., & Light, T. (2016). Family Business Research and the Role of Communication in Business. *Family Business Review*, 29(1), 80-101. DOI: [10.1057/978-1-349-95123-9_8](https://doi.org/10.1057/978-1-349-95123-9_8)
- Gavrić, T., & Braje, I. N. (2024). Managing Cultural Diversity and Conflict in Family Businesses: An Organizational Perspective. *Administrative Sciences*, 14(13). <https://doi.org/10.3390/admsci14010013>
- Gilley, J. W., Gilley, K. M., & McMillan, H. S. (2009). Performance improvement and feedback in organizations. *International Journal of Training and Development*, 13(2), 107-124.

- Jehn, K., A. (2014). Types of conflict: The history and future of conflict definitions and typologies. Edward Elgar Publishing, 3-18.
<https://doi.org/10.4337/9781781006948.00007>
- Lambrecht, J., & Lievens, J. (2008). Prerequisites for Successful Succession in Family Business: A Review and Research Agenda. *Family Business Review*, 21(1), 55-70.
- LeCounte, J.F. (2020). Founder-CEOs: Succession planning for the success, growth, and legacy of family firms. *Journal of Small Business Management*, 60(3), 616–633.
<https://doi.org/10.1080/00472778.2020.1725814>
- Le Breton-Miller, I., & Miller, D. (2015). The Familiarity Scale: A New Measure of Family Business. *Journal of Family Business Strategy*, 6(1), 25-35.
- Moreno-Gene, J., & Gallizo, J. L. (2021). Intergenerational Differences in Family Business Management and Their Influence on Business Profitability. *Sustainability*, 13(12).
<https://doi.org/10.3390/su13126979>
- Miller, S. P. (2014). Next-generation leadership development in family businesses: the critical roles of shared vision and family climate. *Front Psychol*.
<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4255618/>
- Morris, M. H., Williams, R. O., Allen, J., & Avila, R. A. (1997). Correlates of success in family business transitions. *Journal of business venturing*, 12(5), 385-401.
[https://doi.org/10.1016/S0883-9026\(97\)00010-4](https://doi.org/10.1016/S0883-9026(97)00010-4)
- Morrison, E. W. (2011). The Impact of Communication Gaps on Employee Engagement. *Journal of Organizational Behavior*, 32(1), 1-18.
- Miller, D., Steier, L., & Le Breton-Miller, I. (2003). Lost in time: intergenerational succession, change, and failure in family business. *Journal of business venturing*, 18(4), 513-531. [https://doi.org/10.1016/S0883-9026\(03\)00058-2](https://doi.org/10.1016/S0883-9026(03)00058-2)
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative Data Analysis*. Sage Publications.
- Ng, E.S.W., Schweitzer, L., & Lyons, S.T. (2010). Generational Differences in the Workplace: A Review of the Literature. *Journal of Business Psychology*, 25(4), 469-481.
- Naeem, M., Ozuem, W., & Ranfagni, S. (2023). A Step-by-Step Process of Thematic Analysis to Develop a Conceptual Model in Qualitative Research. *International Journal of Qualitative Methods*, 22. <https://doi.org/10.1177/16094069231205789>
- Rothwell, W. J. (2010). Effective Succession Planning: Ensuring Leadership Continuity and Building Talent from Within. AMACOM.
- Siregar, LD, Santati, P., & Meitisari, N. (2023). Generation gap conflict on its impact on employee performance. *Journal of Economics*, 12(2), 873-879.
- Stavrou, E.T., Kleanthous, T. and Anastasiou, T. (2005), “Leadership personality and firm culture during hereditary transitions in family firms: model development and empirical investigation”, *Journal of Small Business Management*, 43(2), 187- 206. DOI: 10.1111/j.1540-627x.2005.00133.x
- Sharma, A., & Dave, S. (2023). Small scale family business succession and sustainability: A study in Chhattisgarh. *Journal of Management*, 17-27.
- Sharma, P., Chrisman, J. J., & Chua, J. H. (2003). Predictors of Satisfaction with the Succession Process in Family Firms. *Journal of Business Venturing*, 18(5), 663-687.
- Qiu, H., & Freel, M. (2020). Managing Family-Related Conflicts in Family Businesses: A Review and Research Agenda. *Family Business Review*, 33(1), 90-113.
<https://doi.org/10.1177/0894486519893223>



© 2024 by the author. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license (<https://creativecommons.org/licenses/by-sa/4.0/>).