

Strategic Planning and Enterprise Succession in Selected Family Owned Businesses in Anambra State, Nigeria

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Abstract: Despite the vital roles played by family-owned enterprises in Nigeria, they are still faced with the problem of succession as about 95% of family businesses do not survive the third generation of ownership. This study therefore examines strategic planning and business succession in selected family owned businesses in Anambra state using frequency, percentage, mean, standard deviation and t-test statistics. Findings revealed that there is no adequate application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state. There is also no significant difference in the application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state. Family Owned Businesses face significant challenges in the application of strategic planning in both management and ownership succession in their businesses. Based on the analysis and findings of this study, it is therefore recommended that family owned businesses in Anambra state should embark on adequate application of strategic planning in the management succession of Family Owned Businesses (FOB) by developing and focusing on long range objectives and short term priorities through the adoption of various business analytic techniques. The ministry of commerce and industry should develop capacity training for the awareness and adoption of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state. This will enable Family Owned Businesses (FOB) in Anambra state survive their first, second, third generation and so on.

Key words: Nigeria, Strategic Planning, Family Owned Businesses (FOB), Ownership Succession, Management Succession

I. INTRODUCTION

Extant literature holds that in most countries of the world, including Nigeria, that Family Owned Businesses (FOB) have remained the oldest and most dominant form of business ownership in the global economic landscape (Ogbechie and Anetor, 2015; Sharma, 2004). The Family Owned Businesses (FOB) in Nigeria are mostly Small and Medium Enterprises (SMEs) (Onuoha, 2013; Obadan and Ohioyenoya, 2013). They create employment opportunities, have the capacity to reduce poverty, inequality and social vices and are catalysts of innovations, inventions and creativity; stimulate indigenous

entrepreneurship; link up the various sectors and sub-sectors of the economy; stem rural – urban migration; maintain competition, pay taxes which enable governments to provide basic amenities; and contribute to regional activities and cooperation (Onuoha, 2013). Family Owned Businesses (FOB) account for about 70% to 95% of all business entities in most countries around the world and also create between 50 and 80% employment (Ogbechie and Anetor, 2015; European Family Business, 2012: 2; Abouzaid, 2008: 11). Accordingly, Ogbechie and Anetor (2015) stated that the contribution of family-owned enterprises to the economies of nations around the world in terms of employment and GDP cannot be over-emphasized. For instance, family businesses generate about 79% jobs and account for two-third of GDP in India (Bernard, 2013). They also create about 85% employment and account for about 50% of the GDP in Brazil (Family Firm Institute). In the same vein, family businesses in Nigeria contribute 46.54% to GDP (SMEDAN, 2012).

Despite the plethora and novel benefits accruable from Family Owned Businesses (FOB) to the development of the nation, the mortality rate of Family Owned Businesses (FOB) in Nigeria continues to increase (Onuoha, 2013). According to Onuoha (2013), The Ibos of South-East Nigeria are renowned for their zeal and tenacity in business; spanning decades, yet there are no corporations that are in their third or fourth generation. This is as a result of poor attitude to succession planning. As cited by Ogbechie and Anetor (2015), the lack of succession planning in Nigeria is a serious problem militating against the survival of family-owned businesses as 94.2% of entrepreneurs do not have a succession plan. Despite the challenge, posed by a lack of succession planning, most studies failed to examine succession planning and its effects on the continuity of family-owned enterprises in Nigeria. Consequently, this study focuses on strategic planning and business succession nexus particularly in the Family Owned Businesses (FOB). Strategic planning is the core of the work of an organisation. Without a strategic framework you don't know where you are going or why you are going there (Shapiro, 2001). According to Foundation for Community Association Research (2014), strategic planning is more than ensuring your association will remain financially sound and

be able to maintain its reserves—it's projecting where your association expects to be in five, ten, or fifteen years—and how your association will get there. It is a systematic planning process involving a number of steps that identify the current status of an association, including its mission, vision for the future, operating values, needs (strengths, weaknesses, opportunities, and threats), goals, prioritized actions and strategies, action plans, and monitoring plans. The application of strategic planning in business succession has been touted in this study as a sinquanon to the survival of family owned business in Nigeria.

Management and ownership succession are two critical factors on which all other business activities revolve (Onuoha, 2013). The application of strategic planning in business succession will help in the management and ownership succession of Family Owned Businesses (FOB) by making provisions for the development, replacement and strategic application of key personnel or owner(s) over time, and this requires the identification of the organization's core values, vision, mission, strategic plans, etc. This entails ensuring continuous corporate leadership.

Statement of the Problem

A careful review of the literature on family owned business revealed that more than half of the businesses worldwide are owned by families (Adams, 2009; Timmons & Spinelli: 2007). That notwithstanding, Family Owned Businesses (FOB) are still on the increase thus suggesting there unique role in the global economy. Supporting this assertion are some research in Family Owned Businesses (FOB) that emphasized on the roles of Family Owned Businesses (FOB) to the global economy (Eruh, Mohd, and Adebayo, 2011; Ogundele, Idris, and Ahmed-ogundipe, n.d;). According to Ogbechie and Anetor (2015) & Morris, Williams & Allen (1997), some of the roles include creation of employment opportunities, maintenance of competition, stimulation of indigenous entrepreneurship, wealth creation, innovations and creativity, foreign exchange earnings, mobilization of savings, and contribution to the GDP. Despite these vital roles, family-owned enterprises in Nigeria are faced with the problem of succession as about 95% of family businesses do not survive the third generation of ownership. This study was therefore informed by the poor business succession in Family Owned Businesses (FOB) in Nigeria (Onuoha, 2013). These businesses are unique and valuable and therefore deserve to be studied in more detail by investigating the application of strategic planning in business succession in the management and ownership succession of Family Owned Businesses (FOB) particularly in Anambra state, Nigeria.

Objectives of the Study

The main objective of this study is to examine the application of strategic planning in business succession of selected Family Owned Businesses (FOB) in Anambra state, Nigeria. Specifically, the objective of the study is to:

- i. Ascertain the extent of application of strategic planning in the management succession of Family Owned Businesses (FOB) in Anambra state, Nigeria.
- ii. Examine the extent of application of strategic planning in the ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria.
- iii. Determine the extent of challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state, Nigeria

Research Questions

- i. What is the extent of application of strategic planning in the management succession of Family Owned Businesses (FOB) in Anambra state, Nigeria?
- ii. What is the extent of application of strategic planning in the ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria?
- iii. What is the extent of challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state, Nigeria?

Statement of Hypotheses

H₀₁: There is no significant difference in application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria.

H₀₂: There is no significant challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state, Nigeria

II. REVIEW OF RELATED LITERATURE

Strategic Planning

Strategy is designed to help an organization gain competitive advantage over its rivals. Gaining advantage however involves articulated planning (Alaka,Tijani & Abass, 2011). Over time the concept and practice of strategic planning has been embraced worldwide and across sectors because of its perceived contribution to organizational effectiveness. Today organizations from both the private and public sectors have taken the practice of strategic planning seriously as a tool that can be utilized to fast track their performances. Strategic planning is arguably important ingredient in the conduct of strategic management (Arasa and K'Obonyo, 2012). Strategic planning therefore focuses on long range objectives and short term priorities through the adoption of various business analytic techniques (Alaka,Tijani & Abass, 2011). According to Shapiro (2001), strategic planning is the overall planning that facilitates the good management of a process. Strategic planning takes you outside the day-to- day activities of your organisation or project. It provides you with the big picture of what you are doing and where you are going. Strategic planning gives you clarity about what you actually want to achieve and how to go

about achieving it, rather than a plan of action for day-to-day operations. Obasan, Ogunkoya and Olufemi (2013) argued for the importance of strategic planning, providing keen insight into overcoming the barriers and biases associated with planning failures. But the debates rages on in the literature as to the critical importance of strategic planning.

Business Succession

In the literature of business succession, management and ownership succession remain a central focus on which all other business activities revolve. According to Ogundele, Idris, and Ahmed-ogundipe (n.d) and Animashaun & Oyenyin (2002), succession in legal parlance is the passing of “property to persons upon the death of the owner of the property”. As stated by Ogundele, Idris, and Ahmed-ogundipe (n.d), the simple law of nature, states that everyone must eventually die. However, human beings acquire properties during their lifetime and many successful Entrepreneurs have the business or enterprise as one of such assets. After the demise of the entrepreneur, the assets will have to be distributed to their living relations. The law of succession regulates the transmission of the rights and obligations of the deceased individual with respect to his estate to his successors and heirs.

Family Owned Businesses (FOB)

Extant literature is replete with the definition or what constitute family owned business. Scholars have however viewed it from different stand point. For some, Family Owned Businesses (FOB) is determined by the distribution of ownership in other words it is a family business or a company in which the members of a family have the legal control over ownership (Lansberg, Perrow, & Rogolsky., 1988). For others (Palacios, Marti'nez & Jime'nez, 2013; Ruiz, Sessarego & Guzman-Sanza, 2010), Family Owned Businesses (FOB) has two key feature which are ownership and control. In this case, the family participates in the ownership and management of the company. Two pictures of Family Owned Businesses (FOB) have been created here, one is that of control over the ownership of the company and not the operational management of the company and the other is that of control over ownership and also influence the making of strategic decisions such as operational management of the company, succession planning, vision creation, long-term values, and so on (Palacios, Marti'nez & Jime'nez, 2013; Chittoor and Das, 2007). The picture of Family Owned Businesses (FOB) portrayed in this study is the later which is typical of the African context and South-East Nigeria in particular.

Related Empirical Studies

Onuoha (2013) examined the challenges and problems of professionalizing family businesses in South-East, Nigeria. The survey covered the commercial cities of the region. The study revealed that family businesses are not professionalized because of the following challenges and problems – unincorporated enterprises, lack of succession plan, unawareness of government policies on entrepreneurship

development, high operational costs, financial constraints, poor infrastructures, competition, multiple taxes, etc. Esuh, Mohd, and Adebayo (2011) explores and examines succession in relation to family business continuity. Their study proposed an integrative conceptual model on how true succession could ensure family business continuity. Using discriminant analysis as an appropriate statistical tool, Palacios et al (2013) examined family growth versus family firm growth: professional management and succession process. Data were obtained from a total of 180 family businesses. Results of the study show that significant differences exist between family firms where the family grows more than the company and those where the company grows more than the family. Each group has a different vision. The former is more oriented towards meeting their family needs through the company, whereas the latter is more oriented towards business and professional efficiency. Wallace (2010) examined factors associated with family owned businesses that lead to business success and profitability. The panel data used in this study came from the 1997 and 2000 waves of the National Family Business Study (NFBS). Many independent variables from the 1997 wave (e.g., age, gender, managerial activities, business size, home-based, business problems) were tested to predict business success and profitability (dependent variables), which were variables from the 2000 wave. Some of the descriptive analyses indicated that, compared to female managers, male managers perceived less business success, participated more in managerial activities, managed older businesses, experienced more business problems, and experienced fewer business cash-flow problems. Compared to businesses that are not home-based, home-based businesses reported less perceived business success, less business profitability, were smaller businesses, experienced fewer business problems, had fewer business liabilities, and had managers with poorer health and less education. Overall, the ordinary least squares regression analyses yielded results indicating that managerial activities, home-based businesses, business age, business problems, and business cash-flow problems were all statistically significantly associated with perceived business success. Business size was shown to be significantly associated with business profitability.

From the literature reviewed there seems to be a paucity of literature on the application of strategic planning in business succession of Family Owned Businesses (FOB) in Nigeria. Most of the literature reviewed was drawn from the western context of Europe and America. This therefore creates a literature and knowledge gap to be filled by this study. This study will be beneficial to researchers, academics and policy makers. For researcher, the study will provide them with disparate strands of thought and authoritative educational material for further research on the application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB). For academics, it will contribute to knowledge by supplementing existing literature on strategic planning and business succession nexus debate.

For policy makers and development officials, the work will provide them empirical results and scholarly directions for the application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) particularly in Anambra state.

III. METHODOLOGY

Research Design

This study adopts a quantitative survey research design. The study is a quantitative descriptive survey research design that involves asking questions, collecting and analyzing data from a supposedly representative members of the population at a single point in time with a view to determine the current situation of that population with respect to one or more variable under investigation (Okeke, Olise and Eze, 2008; Chukwuemeka, 2002; Chukwuemeka and Oji, 1999). The questions asked are to elicit responses that will answer the research questions and address the objectives of the research. This work is concerned with the collection of data for the purpose of examining the implication of strategic planning on the management succession of Family Owned Businesses (FOB) in Anambra state, Nigeria. It involved sampling by using structured questionnaire to generate data that will be analyzed so as to gain insight into the topic under study.

Population of the Study

The population of the study consists of Four Hundred and Sixty Eight (468) Family Owned Businesses (FOB) that made their annual returns in 2017 with the corporate affairs commission in Anambra state as at the time of this study.

Sample Size and Sampling Technique

In order to determine the sample size for the purpose of questionnaire distribution the Taro Yamani formula was used to obtain a sample of 215 Family Owned Businesses. The formular is stated thus:

$$n = \frac{N}{1+N(e)^2}$$

- Where: n = sample size
- N = population
- e = Margin of error (5% or 0.05)
- 1 = Constant

Substituting in the above formula:

$$n = \frac{468}{1+ 468 (0.05)^2}$$

$$= \frac{468}{1+ 468 (0.0025)}$$

$$= \frac{468}{1+ 468 (0.0025)}$$

$$= \frac{468}{2.17}$$

$$n \simeq 215$$

Method of Data collection

The questionnaire was used in collecting data for this study. It was divided into two sections: The first section of the questionnaire contained information about the demographic characteristics of the respondents. The second section was designed to collect information about strategic planning on the management succession of Family Owned Businesses (FOB) in Anambra state, Nigeria. All items included in the questionnaire from literature and initial pilot survey of twenty (20) Family Owned Businesses (FOB) in Anambra State. Four trained research assistants were used for the administration of the questionnaire. They assisted the respondents to complete the questionnaire through an interactive process; thus making sure the questionnaire was completed on the spot. On the whole a total of 215 return rate was achieved which was a hundred percent 100% return rate.

The reliability of the instrument was established using test-re-test method. Copies of the questionnaire for the study were administered to twenty (20) Family Owned Businesses (FOB) in an initial pilot survey of twenty (20) Family Owned Businesses (FOB) in Onisha, Anambra state. The same instrument was administered to the same respondents after two weeks. The coefficient of reliability for their responses of 0.811 was established using cronbach alpha. Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group (Hair, Black, Barbin and Anderson, 2006). This was done using SPSS version 23.

Method of Data Analysis

The simple percentage, mean, standard deviation and t-test statistics were used to conduct the various analysis of this study. Descriptive statistics like frequencies and percentages were used to elicit information on the demographic profile of the respondents. The mean, standard deviation and t-test statistics were used to evaluate the implication of strategic planning on the management and ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria.

IV. DATA PRESENTATION AND ANALYSIS

Table 1: Distribution according to the demographic profile and business characteristics of Family Owned Businesses (FOB) in Anambra state, Nigeria

Variables	Options	Frequen cy	Percenta ge(%)	Cumulative(%)
Gender	Male	196	91.2	91.2
	Female	19	8.8	100

	Total	215	100	
Age	≤ 20	1	0.5	0.5
	21 – 30	23	10.7	11.2
	31 – 40	42	19.5	30.7
	41 – 50	46	21.4	51.1
	51 – 60	33	15.3	67.4
	≥ 60	70	32.6	100.0
	Total	215	100	
Edu. Qualification	Primary	32	14.9	14.9
	Secondary	118	54.9	69.8
	Tertiary	65	30.2	100.0
	Total	215	100	
Business experience	1 – 5	11	5.11	5.11
	6 – 10	26	12.1	17.2
	11 – 15	46	61.4	38.6
	15 and above	132	17.8	100.0
	Total	215	100.0	
Marital status	Married	166	77.2	77.2
	Single	23	10.7	87.9
	Widow/widower	26	12.1	100
	Total	215	100	
Respondent's position	Owner, CEO	179	83.3	83.3
	Manager	36	16.7	100
	Total	215	100	

Source: Field survey, 2018.

With respect to the gender of the respondents as shown in table 1, 91.2% of the respondents are males while 8.8% are females thus, suggesting the enterprising nature of the males from the state in developing family businesses. With respect to age, majority of the respondents are above 70years of age. This accounts for about 32.6% of the responses. All the respondents have formal education. However, majority of the respondents had secondary education which account for about 54.9%. The least educated has a minimum of 6years of education which translates into primary school education while the most educated has a maximum of 16years of education. With respect to business experience, about 61.4% had over 15years of business experience. The marital status shows that majority of them 77.2% are married, 10.7% are single while 26% are Widow/widower. Owner/CEOs and Managers of the selected firms responded to the questionnaires administered. As shown in table 1, 83.3% of the respondents are Owner/CEOs of the selected firms, 16.7% are managers of the selected firms.

Table 2: Distribution according to the extent of application of strategic planning in the management succession of Family Owned Businesses (FOB) in Anambra state, Nigeria

S/N	ITEMS	MEAN	Std. Deviation
1	Our company has a strategic planning programme for management succession	2.60	0.678
2	Our company has a well thought-out vision for management succession	2.79	0.450
3	Our company has a well thought-out mission, activities and values for management succession	2.78	0.624
4	Our company has a well thought-out activities and values for management succession	2.80	0.600
5	Our company has a well thought-out programme of Environmental Scan or SWOT Analysis for management succession.	2.61	0.677
6	Our company has a well thought-out programme for Identifying Strategic Issues for management succession	2.60	0.678
7	Our company has a well Developed Strategic Goals and Objectives for management succession	1.34	1.910
8	Our company has created implementation plans to achieve goals and carry out objectives for management succession	2.72	0.620
9	Our company has a well thought out programme for periodically monitoring and Evaluating management succession and adjust if necessary	2.41	1.022

Source: Field survey, 2018.

As shown in Table 2, with respect to the extent of application of strategic planning in the management succession of Family Owned Businesses (FOB) in Anambra state, Nigeria. All the items of the template do not meet the theoretical mean threshold of 3.0, thus indicating that there is no adequate application of strategic planning in the management succession of Family Owned Businesses (FOB) in Anambra state.

Table 3: Distribution according to the level application of strategic planning in the ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria

S/N	ITEMS	MEAN	Std. Deviation
1	Our company has a strategic planning programme for ownership succession	3.00	0.769
2	Our company has a well thought-out vision for ownership succession	2.00	1.110
3	Our company has a well thought-out mission, activities and values for ownership succession	2.91	0.288
4	Our company has a well thought-out activities and values for ownership succession	2.78	0.997
5	Our company has a well thought-out programme of Environmental Scan or SWOT Analysis for ownership succession.	2.66	0.811

6	Our company has a well thought-out programme for Identifying Strategic Issues for ownership succession	2.78	0.938
7	Our company has a well Developed Strategic Goals and Objectives for ownership succession	2.35	1.067
8	Our company has created implementation plans to achieve goals and carry out objectives for ownership succession	3.53	0.770
9	Our company has a well thought out programme for periodically monitoring and Evaluating ownership succession and adjust if necessary	2.87	0.343

Source: Field survey, 2018.

As shown in Table 3, with respect to the extent of application of strategic planning in the ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria. Only two(2) items [ie item 1 & 8] out of the nine (9) items in the template met the theoretical mean threshold of 3.0, it also shows that there is no adequate application of strategic planning in the ownership succession of Family Owned Businesses (FOB) in Anambra state.

Table 4: Distribution according to the extent of challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state, Nigeria

S/N	ITEMS	MEAN	Std. Deviation
1	Conflicting personalities	3.00	.769
2	Lack of shared goals	4.00	.000
3	Failure of leadership	3.91	.288

Table 5: T-test statistics on significant difference in application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria

Items	Mean (x)	Std deviation	Std. Error mean	t	df	Sig (2-tailed)
Management and ownership succession	2.862	0.653	1.432	1.499	214	0.120

Source: Field survey, 2018

Hypothesis one states that there is no significant difference in application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria. To test the hypothesis the t-test statistics was employed. Table 5 is a summary of the t-test values in application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state. The result of the test shows that the t-calculated value was not significant at 0.120 significant

4	Work Ethic	2.78	.997
5	Compensation	2.66	.811
6	Expectations	3.78	.938
7	Family participation in the family business and under what circumstances	3.35	1.067
8	Leadership and ownership in preparing the next generation to assume responsibility for the business	3.53	.770
9	Incumbent's willingness to let go of the family business	3.87	.343
10	Attracting and retaining non-family executives	3.00	.769
11	Choice of successors and how to choose among multiple successors	4.00	.000

Source: Field survey, 2018.

As shown in table 4, with respect to the extent of challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state, Nigeria. With the exception of items 4&5, every other item in the template pose a challenge to the application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state.

Hypothesis Testing

Ho₁: There is no significant difference in application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria.

levels. We therefore fail to reject the null hypothesis and conclude that There is no significant difference in application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria.

Ho₂: There is no significant challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state, Nigeria

Table 6: T-test statistics on significant challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state, Nigeria

Variables	t	df	Sig	Mean diff.	Std. Error	95% confidence interval of the difference	
						Lower	upper
Conflicting personalities	56.001	214	.000	3.00	.064	3.48	3.73
Lack of shared goals	88.880	214	.000	4.00	.043	3.71	3.88
Failure of leadership	63.901	214	.000	3.91	.059	3.67	3.90
Work Ethic	66.724	214	.000	2.78	.057	3.69	3.91
Compensation	56.262	214	.000	2.66	.064	3.49	3.74
Expectations	56.001	214	.000	3.78	.064	3.48	3.73
Family participation in the family business and under what circumstances	15.550	214	.000	3.35	.086	1.17	1.51
Leadership and ownership in preparing the next generation to assume responsibility for the business	63.183	214	.000	3.53	.059	3.60	3.84
Incumbent's willingness to let go of the family business	35.192	214	.000	3.87	.097	3.22	3.61
Attracting and retaining non-family executives	41.595	214	.000	3.00	.086	3.39	3.73
Choice of successors and how to choose among multiple successors	27.389	214	.000	4.00	.041	1.05	1.22

Source: Field survey, 2018.

Hypothesis two states that there are no significant challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state, Nigeria. To test the hypothesis the t-test statistics was employed. Table 6 is a summary of the t-test values in challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state. The result of the test shows that the t-calculated values were all significant at 0.000 significant levels. We therefore reject the null hypothesis and conclude that there are no significant challenges faced by Family Owned Businesses (FOB) in the application strategic planning in their management and ownership succession in Anambra state, Nigeria.

V. SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

The findings of this study are robust. The study revealed that:

- i. There is no adequate application of strategic planning in the management succession of Family Owned Businesses (FOB) in Anambra state.
- ii. There is also no adequate application of strategic planning in the ownership succession of Family Owned Businesses (FOB) in Anambra state.
- iii. There is also no significant difference in the application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state, Nigeria.
- iv. Family Owned Businesses (FOB) also face significant challenges in the application of strategic

planning in the management and ownership succession of their businesses.

In conclusion, despite the role strategic planning the management succession of Family Owned Businesses (FOB) as observed in the literature, findings of the study suggest inadequate application of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state. Strategic planning has a process and it focuses on long range objectives and short term priorities through the adoption of various business analytic techniques (Alaka, et al 2011). According to Shapiro (2001), strategic planning is the overall planning that facilitates the good management of a process. Strategic planning takes you outside the day-to-day activities of your organisation or project. It provides you with the big picture of what you are doing and where you are going. Strategic planning gives you clarity about what you actually want to achieve and how to go about achieving it, rather than a plan of action for day-to-day operations. Therefore, its application will help prolong the life of family owned businesses in Anambra state.

Based on the analysis and findings of this study, the researchers therefore recommend that:

- i. Family owned businesses in Anambra state should embark on adequate application of strategic planning in the management succession of Family Owned Businesses (FOB) by developing and focusing on long range objectives and short term priorities through the adoption of various business analytic techniques.

- ii. The ministry of commerce and industry should develop capacity training for the awareness and adoption of strategic planning in the management and ownership succession of Family Owned Businesses (FOB) in Anambra state. This will enable Family Owned Businesses (FOB) in Anambra state survive their first, second, third generation and so on.

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