

Family Business Succession

(Case Study On Pinus Kenteng Vila In Kopeng, Semarang District)

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Abstract. The aim of this research is to analyze the factors and succession process in the Pinus Kenteng Vila family business in Kopeng, Semarang District. This type of data is primary data obtained from the results of surveys and interviews with the next generation and family members involved in the outbound business at Pinus Kenteng Vila in Kopeng, Semarang District. This research was held at Pinus Kenteng Vila, Jln. Salatiga-Kopeng KM 7 Sumogawe District, Semarang. The founder himself has five children and of the five children, three of them help manage the family business together and the second child takes leadership of the family business. The resource person for this research is the second generation who leads the family business with the position of Director of Implementation and Finance and other family members who work in the Audit, Licensing and Finance Department. After being built, the organization of this business was initially conservative, traditional, meaning that the founder together with his wife took care of and managed everything themselves. The strategy used is still traditional with affordable prices for both culinary and lodging. The cool and beautiful nature surrounding the Pinus Kenteng Vila is a distinct advantage of this business. The results of this research are that the factors considered in the succession of the family business at Pinus Kenteng Vila in Kopeng, Semarang District are as follows: 1. Preparation of successors or heirs (work experience (outside of business), initial position or title, motivation for joining the business, self-perception of preparation). 2. Relationship with family (Communication, Trust, Commitment, Values and traditions). 3. Planning and control (Business advisory, Simple management, Continuous learning). The succession process in this research is as follows: the process of succession from the predecessor generation to the next generation found in this research is the same as the results of previous research, namely as follows: 1. Individual development, 2. Involvement in business, 3. Leadership succession.

Keywords: succession factors, succession process.

1 Introduction

The phenomenon of family business itself is nothing new in the business world. Family-owned businesses are the dominant form of business organization worldwide and play a major role in the creation of social and economic wealth wherever they exist. According to [19] family

businesses have several characteristics including: the involvement of family members, an environment that supports learning by sharing, high levels of trust between family members, emotional strength, less formal positions, and the existence of dual leadership. According to data from the Central Statistics Agency (BPS), family businesses in Indonesia are private companies that contribute 82.44% to gross domestic income [7].

In a family business, many factors occur that influence the development of the family business. One of the many factors faced in the succession of one's own family business is values and traditions. The values and traditions implemented are very important because the values and traditions developed and implemented by the founder become a foundation that can shape the characteristics of the family business itself. Because with this foundation, a good leadership structure will be formed which will be passed down from the founder to the next generation. However, there are also family businesses that are unable to survive considering the changes around them which require the next generation to make decisions about the continuity of the family business. That. By seeing this, the next generation tends to maintain existing values and traditions with the changes that occur around them. Factors like these really influence the sustainability of the family business itself. These family businesses are intertwined with economic entities that are closely linked to familial relationships, factors such as interpersonal dynamics, generational succession, risk management strategies, and organizational culture play a key role in shaping the identity and performance of family businesses. Looking at the existing factors, a family business can be said to be successful if in the process the founder or first generation has good leadership that is able to overcome the risks of these factors occurring so that in time the next generation is able to implement or apply what was taught by the previous generation so that the family business it can survive.

According to [22] and [10], leadership succession ensures the continuity of the company to survive, develop and generate profits. Succession of a family business certainly cannot be separated from the name of the problems that arise due to the lack of ability of the next generation to involve family members in helping to advance the business together so that it makes the problems that arise difficult to solve. For example, there is distrust between fellow family members, poor relationships between family members, no good communication between family members and successors, conflict in selecting potential successors who can lead, conflict in decision making, differences in managerial mindset between founders. and the next generation, and so on. As a result, it is not uncommon for family businesses to experience decline, or even be forced to close, due to prolonged conflict and factors that arise during the succession process in the family business.

In this research, the researcher wants to examine a family business. The family business that is the object of research is Pinus Kenteng Vila. The Pinus Kenteng Vila was founded in 1987. The location of the Pinus Kenteng Vila itself is Jln. Salatiga-Kopeng KM 7 Sumogawe District. Semarang. The initial aim of building the Pine Kenteng Vila was to be used as a retreat place which was devoted to church and student activities. Why did the founder decide to build this business because the founder has a profession as a pastor and teacher at Satya Wacana Christian University. So that's where the founder decided to build the Wisma Kenteng business before later changing the name to Pinus Kenteng Vila. The development of this business itself is carried out in stages, little by little, with the aim of sharing blessings with others and becoming a source of search, especially for the congregation and people around them. This development requires a lot of funds and the founder used personal funds to build this business. After being

built, the organization of this business was initially conservative, traditional, meaning that the founder together with his wife took care of and managed everything themselves. Apart from the founder and his wife, his children and the congregation also helped. The employees themselves can be called freelance if new activities are called for. At the start of this business, it was still an unfinished business because organizationally there was no target. The strategy used is still traditional with low prices offered. Wisma Kenteng, before its name was changed to Vila Kenteng, was quite well known at that time because of its cheap prices. During the process in 2008, because the founder's health condition was not good, his children or The next generation takes the initiative to make decisions together to take responsibility for continuing the business. Why is that because from the start the founders built this business, in the future it will be managed together, meaning the founders do not appoint who will be the successor. The founder himself has five children and of the five children, three of them help manage the family business together. Of the three children, only one is in the field managing the family business, where the leadership is taken by the second generation who is the second of five children. Remembering that the second generation has basics in the field of hospitality and tourism. Even though the second child is in the field, the first child and third child still help out even though they are not directly involved in the field considering that each family member has their own job outside the family business. Even so, the second son still involves family members in discussing the sustainability of the family business together considering that this family business was inherited by the founder for his children to manage together. Now this family business has a branch in Kopeng Vilage, Cuntel hamlet and is named Pinus Cuntel camping ground.

Research conducted on the family business Pinus Kenteng Vila in Kopeng, Semarang District, researchers found that the family business was run by the second child through the experience they had when the second child worked outside the family business. It was from this outside experience that the second child, who was the successor, implemented this experience in the family business. Apart from the experience of the second child who is the successor, the author also found factors that influenced the Pinus Kenteng Vila family business in Kopeng, Semarang District, and the factors found in the field were different from previous research conducted by [11] [12], while for the succession process Pinus Kenteng Vila family business in Kopeng, Semarang District, the results of research in the field researchers found similarities in research related to the stages of the succession process carried out by Handler, [9].

1.1 Previous Reserach

Previous research related to family business succession with the factors that influence the succession process as follows: Research conducted by [23] with research results as follows: open procedures, mature readiness, intense communication from all parties, positive family relationships, and a friendly work environment that is willing to accept new leaders. has the potential to realize the success of the succession process at PT. T.P.

The results of research by [18] show a number of characteristics of successful transitions that attract. First, heirs tend to be quite prepared, both in terms of their educational background and experience. They tend to start at the bottom of the company and spend several years serving in various capacities throughout the organization. Second, relationships within the family are generally positive, with limited levels of conflict, competition, or hostility. High levels of trust and shared values are proof of this. Third, planning and control of activities tends to be informal,

with great emphasis on tax planning and relatively little in the way of succession planning. Likewise, there is very little reliance on the board of directors, outside advisors or consultants.

The research results of [5] show that it is true that the preparation of potential successors can influence family company succession. Apart from that, from the interview results, there are obstacles in the family company succession process, namely that the previous generation still monitors the running of the business and still has control in making decisions so that the next generation feels constrained and finds it difficult to develop the existing business. Research results [13] 1. There is a significant influence between succession planning on the success of family business succession, with a sig value ($0.003 < 0.05$); 2. there is a significant influence between family relationships on the success of family business succession, with a sig value ($0.001 < 0.05$); and 3. there is a significant influence between trust and the success of family business succession, with a sig value ($0.000 < 0.05$).

Research results [15] show that of the three companies studied, one company has carried out a succession process, and the other two are still in the succession process. This research also found that there are two types of succession processes in family companies in Central Java. 1. planned succession, namely a succession process that has been planned and prepared by previous generations. 2. hidden succession, namely a succession process where the company may not carry out a succession process, but the process exists and is carried out in the company. The results of research conducted by [25] show that the succession process was carried out with careful planning. Children as potential replacements are guided by their parents from childhood to be ready to continue the family business. Apart from that, children are required to go to college to increase their knowledge for managing the family business.

Research conducted by [16], Results were found from succession planning research at PD Bintang from 8 existing stages that had been carried out, namely 1. Stages of preparing the family, 2. In searching for a successor, 3. Determining the extent of ownership and management governance, 4. Determining successor criteria, 5. Developing potential successors, 6. Owners providing knowledge to potential successors, 7. Determining the right succession timing to realize leadership succession. 8. The stages in organizing the tasks of the succession group and the guidance process are carried out by the owner himself.

1.2 Research Issues

Based on the previously outlined research background, the research issues are as follows:

1. What factors are considered in the succession of the Pinus Kenteng Vila family business in Kopeng, Semarang District?
2. What is the succession process like for the Pinus Kenteng Vila family business in Kopeng, Semarang District?

1.3 Research Objectives

To analyze the factors and succession process in the Pinus Kenteng Vila family business in Kopeng, Semarang District.

1.4 Research Benefits

The theoretical benefits expected from the results of this research can become a reference for subsequent research regarding family business succession. And the practical benefits of this research are that it is hoped that leaders at Pinus Kenteng Vila will be able to gain an overview of the factors and processes of succession in family businesses and take strategic policies to increase value for all stakeholders involved in the family business.

2 Literature Review

2.1 Definition of Family Business and Succession

According to [20], the definition of a family business is that if the company's share ownership is owned by 15% or more from two or more family members, the company's strategy is influenced by the family members who play a role in company management as advisors or company board members, or company owners. , has a focus on family relationships, and can be passed down to the next generation. Therefore, it can be interpreted that in a family business the role of family members is very important because with family members involved, the decisions taken regarding the continuity of the family business do not take place just one-sidedly but together so that it can be ensured that the family business is able to survive in the next generation. According to [20], the characteristic of a family business is that if there is a family presence in the company, there is overlap between family, management and company ownership in its management so that generational transfer or succession becomes vulnerable, it has a unique long-term investment that originating from interactions between family, management and owners, the company's vision and mission can be passed down from generation to generation, strategy is influenced by the values and goals of the family. Succession is a fairly long process where a plan is formed which has the same goal of helping the continuity of the family business itself from the first generation to the next generation. [9], stated that succession in a family business is defined as "the passing of the leadership baton from the founding owner to a better replacement, both from family and non-family members, namely professional managers". Succession does not only talk about transferring leadership, but the process is not easy, it requires a long process and the patience of the next generation to take on the responsibilities that the founder has prepared for potential successors. According to [21], family business succession is a process for the continuation of the family business which passes down from the older generation to the younger generation, including the inheritance of property, share rights, operations, reputation and status. [2], say that family businesses tend to have a long-term orientation. Family business owners have the desire to continue the family business through the next generation by ensuring the strength of the business and relationships between stakeholders that will provide a good or positive future for the family business. According to [11] [12], research on the succession process has identified a number of factors associated with effective transition. These factors are divided into three categories. Three categories as follows:

1. The readiness of the successor or heir is as follows:
 - a. Formal education.
 - b. Training.
 - c. Work experience outside the company.
 - d. Position or position outside the company.

- e. Years working in business.
- f. Motivation to join the company.
- g. Personal perception of preparation as a successor.

2. The relationship between family members and potential successors is as follows:

- a. Communication.
- b. Trust.
- c. Commitment.
- d. Loyalty.
- e. Competition.
- f. Conflict.
- g. Hatred.
- h. Values and traditions.

3. Planning and control as follows:

- a. Financial planning process for succession purposes in the company.
- b. There are business consultants or advisors involved.
- c. Family members monitor and provide input.

2.2 Succession Process

Family business succession is the transfer or transition of leadership and responsibility from the previous generation to potential successors who are family members to continue the business. Most 84% of family business companies do not intend to passing control of the business to the next generation who are family members, because most of them are not ready, because according to them succession occurs only once in a generation [6].

[1] states that succession is a whole business process to prepare for the transfer of power and control from generation to generation. So it can be explained that the succession process occurs when the previous generation sees that the next generation, with its abilities, is ready to take responsibility for continuing and developing the family business. [9], formulated three stages of the succession process. The three stages in the succession process are as follows:

- a. Individual development period, where the individual has worked at least part-time or part-time in the company's business,
- b. The period of involvement in the business, where the individual has been fully involved by working full-time in the company's business,
- c. The stage of leadership succession, where the individual has had responsibility or has held the position of "president".

Apart from that, the internal succession process in family businesses is an important and very complex problem [14]. According to [3], there are four protagonists in family businesses who are seen as having a direct influence on the succession process. They are defined as follows:

- a. Predecessor generation (incumbent): founders and family members who hold senior management positions in the business and have relinquished or are about to relinquish those positions to new family members.
- b. Next generation (successor): family members who have or will take over leadership positions from the incumbent.
- c. Family: family members involved in business must bring the traits, culture and values contained in the family, especially by determining management activities daily and strategic objectives of the company.
- d. Non-family members: employees who work in the business.

3 Research Framework

In this research, the researcher wants to build an initial research framework that has been identified from research conducted by [11] [12] on factors that influence family businesses and also research [8], which divides three stages of the research succession process. In the existing research, the researcher used it as an initial research framework, which later from this initial research framework the researcher was able to develop a framework of thinking from the results obtained in the research conducted at the Pinus Kenteng Vila in Kopeng, Semarang District. The initial research framework is as follows:

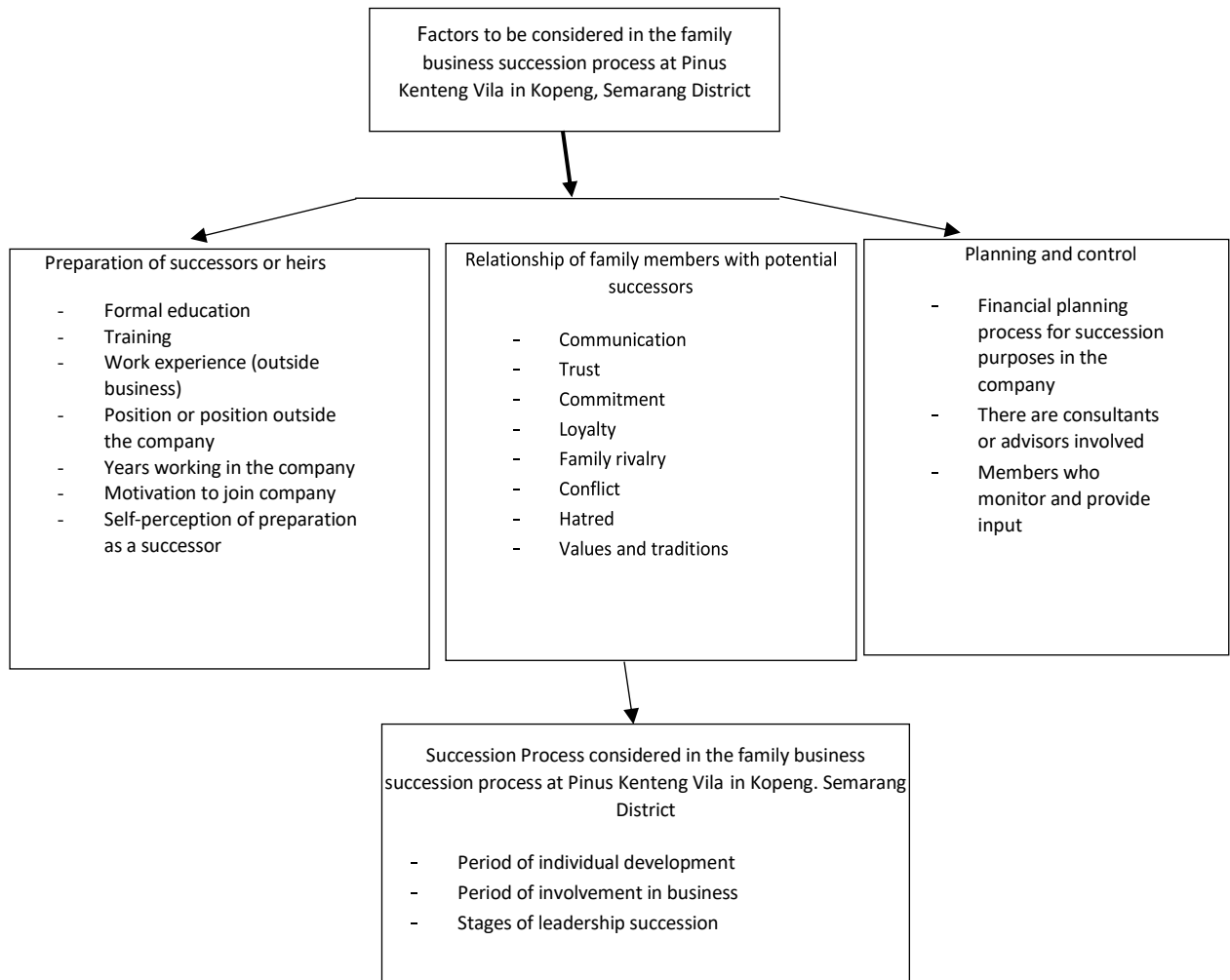


Fig 1. Initial Research Thinking Framework at the Pinus Kenteng Vila in Kopeng, Semarang District

4 Research Methods

4.1 Types of research

In this research the author used descriptive research with a qualitative approach. Qualitative descriptive research where the researcher explores and observes the situation of the object to be studied, so that from this exploration the researcher can discover phenomena that can be raised. [24], The study does not utilize number calculations as in the quantitative approach. According to [4], descriptive research aims to explain, summarize various conditions, various situations, or various variables that arise in the society that is the object of research based on what happens, then bring to the surface the character or description of the condition, situation, or variable. the. In this research, researchers used a case study approach carried out at the Pinus Kenteng Vila in Kopeng, Semarang District. The case study approach is a unique approach carried out by researchers to describe the cases studied by direct observation so that the researcher becomes part of the object and subject of the research.

4.2 Data Types and Data Sources

In this study, researchers used data in this research, namely primary and secondary data. Primary data was obtained from interviews with the second generation who is the second of five siblings who now leads the family business, and one family member who is the third of five siblings. Secondary data was obtained from documents from the next generation as leaders of the Pinus Kenteng Vila family business, such as family business profiles and activity documents.

4.3 Method of collecting data

The steps for collecting primary data are as follows:

1. Permission to conduct an interview at Pinus Kenteng Vila in Kopeng, Semarang District.
2. The researcher asked permission to conduct an interview with one family business leader who is the second generation, one family member of the Pinus Kenteng Vila family business and made an appointment to conduct the interview.
3. Conduct pre-surveys and interviews.
4. Pre-surveys and interviews were carried out to obtain and obtain an overview or phenomenon that occurred related to the Pinus Kenteng Vila family business. Initial data collection occurred 11/25/2022 at 15:43 at Margosari 2 (Contract), with the subject being Angling Kusumandita, 36 years old who is the third of five siblings. The position or position held in the family business is in the Audit and Licensing section.
5. In-depth interviews.

After completing the pre-survey and interviews, an in-depth interview was conducted to obtain data on the Pinus Kenteng Vila family business. In-depth interview which took place on 05/28/2024 at 13:18 at Margosari 2 (Contrakan), with the subject Angling Kusumandita, 36 years old as a family member and the third of five siblings. The positions or positions held in the family business are in the Audit, Licensing and Finance departments. In-depth interview took place 05/30/2024 at 11:26 at Omah Kembang Merbabu Jl. Ngablak - Grabag, Kragean, Jogoyasan, Kec. Ngablak, Magelang District, Central Java 56194. with the subject Rum Sapundani (Dimas), 43 years old who is the second generation to lead the family business and is the second child of five siblings. The position or title held in the family business is Director of Implementation and Finance.

1. Carry out data analysis and discussion.
2. Data analysis and discussion are aimed at answering research questions based on a framework that has been formed and also comparing them with previous research findings.
3. Conclude and provide suggestions.
4. Researchers provide conclusions on the results of research suggestions both theoretically and practically.

4.4 Data Validity Testing

In this research, to test the credibility of the data, the author used the triangulation method. According to [24], triangulation is a data collection technique that combines various existing data collection techniques and sources. As for inside In this study, researchers only used two triangulations, namely source triangulation and method triangulation that will be used

to measure the credibility and validation of data obtained in the field. Source triangulation is used to compare data from observations with data from interviews conducted in the field. And also compare the results of the interview with documents related to the research object. The triangulation method is to test the credibility of the data by checking the validity of the data by conducting interviews with different sources to check the correctness of the data obtained from previous interviews.

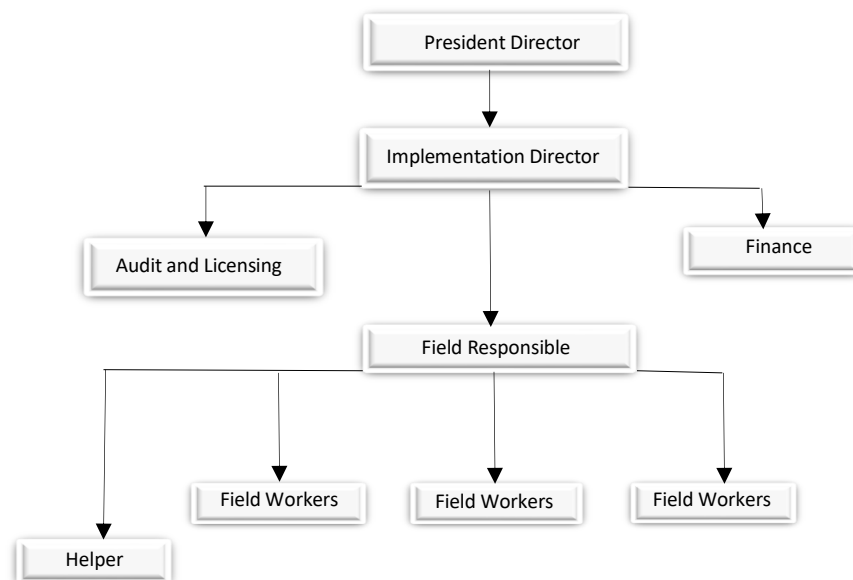
4.5 Data analysis technique

In this study, researchers analyzed the data using qualitative analysis. According to [17], there are three stages of analyzing qualitative data, namely data reduction, data presentation, and drawing conclusions. The data reduction stage is simplifying, classifying and removing what is not necessary so that the data can produce meaningful information and make it easier to draw conclusions. In this data reduction is carried out to be able to see whether this data is relevant or not with the final goal. The next stage is data presentation where the data is arranged in a relevant way and can be presented in narrative text, matrices, graphs and charts. So at this stage it will be easy to organize and arrange to form a relationship that makes it easy to understand. The final stage is conclusion and verification, namely the data that has been arranged is grouped and then a technique is presented that can be concluded.

5 Results and Discussion

5.1 Organizational Structure of Research Objects

The organizational structure of Pinus Kenteng Vila in Kopeng, Semarang District is as follows:



Source: Processed primary data, 2024

Fig 2. Organizational Structure at the Pinus Kenteng Vila in Kopeng, Semarang District.

5.2 Job Description

President Director	: Gives Approval Approves.
Implementation Director	: Providing Decisions and Managing the Running of the Family Business.
Audit and Licensing	: Checking Finances and Carrying Out Licensing.
Finance	: Recording Finances.
Field Responsible Person	: The person who is responsible when there is an event or guest.
Helper	: If needed or required, then called.
Field worker one	: Cleaning the courtyard of the Pinus Kenteng Vila.
Field worker two	: Cleaning the rooms of the Pinus Kenteng Vila.
Field worker three	: Taking care of the cleanliness of the Camping.

5.3 Factors Influencing the Succession of the Pinus Kenteng Vila Family Business

The successor continues the family business because the parents consider that the successor has worked in hotels and tourism so that it is suitable for the business currently being run. Successors apply the experience they have gained while working in the family-run business, such as service, determining tour packages and prices, as well as designing business models. Land and buildings owned by the family are cultivated for productive activities so as to provide benefits to the family and community. This can be seen in the following interview with the successor.

"In history, basically my father's land which was not used was actually used for fertilizer, then because I had worked in hotels and tourism, I developed it. That's the point. My education is only high school" (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Personally, I have never studied in the world of tourism or hospitality, it's just that I have worked at D'Emrik at the White Cross so I can learn, gain knowledge from there, there is no formal education." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Yes, at that time I was working for d'Emmerick as a division manager. In the end, maybe my performance was not good enough and I was dismissed. Like it or not, I made that decision utilize existing knowledge. Yes, serving guests in terms of guest service, creating pricing itself, determining prices, determining packages, outbound concepts and so on." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Yes, so that your land doesn't fall into disrepair, that's the point. Very prepared - very ready, yes, that means very - very ready, it's

land, not rented land, not someone else's land, that means whatever happens will always belong to us together, which is where other places can become a cost burden when the place is rented or whatever and so on. Next, at our place there is no such thing as a building that really needs a lot of maintenance because almost everything is in the form of a field, natural, so we just have to look after it like in a garden, clean it and so on. If this building had existed from my father, we would never have built it." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

Based on the above, it can be seen that successor preparation is influenced by work experience (outside business), initial position or title, motivation to join the business, and self-perception of preparation.

Successors realize that the family business currently being run does not always experience profits. However, successors are trying to maintain this business in the hope of providing jobs to employees and strengthening relationships with families. Parents and family members give full confidence to the successor because the successor has experience in the hospitality and tourism sector. Therefore, the successor is committed to providing good service to customers. This business is run with values that are commonly implemented in the business world, such as serving guests sincerely and kindly, respecting customer requests, and building good relationships with employees. This is as conveyed by the successor in the following interview.

"The communication is like this, my orientation is not to be an example, why do I work in this place when we have a business, yes, I know our business is unpredictable, tourism is unpredictable, especially when I think like this, wow, hotels or tourism are no one can "defeat" it turns out that after a pandemic like that, when you meet a pandemic, everyone destroys it. Well, there I tend to be more oriented on how to keep my friends so they can continue working so that I can work in other places too. So, what is the orientation? Just so that the place survives. Surviving without looking at whether this business makes a profit or a loss is what I do. Yes, maybe if people see that, the results will definitely be big. Oh, not necessarily. We've had experiences like this month we've been minus many times, in fact I work here when I get money I give it to friends. If I'm with a family, no, it's my extended family, you know. If you are a father, I know that it is most likely to cost a r t. But if we focus on tens of millions, we don't have it." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Whether they like it or not, they still have to be able to trust me because the only one of the five siblings who has basic hospitality and tourism skills is only me, the others don't even though they are much higher in education than me, I have a master's degree, my other brother has a master's degree. I never went to university

for my bachelor's degree." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Commitment, yes, I told them never girls - girls get involved in managing how employees work, they can't prioritize their names because this is family property. If I want to use it, I have to prioritize it. I don't want to. I still focus on guests, that's a commitment. Yes, it helps with marketing, it helps with things – small things because we serve guests, so we help serve guests." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Not at all. Because once again, I don't have a target in one month, do I have to get this or that or not because I'm ready to go to bed. What kind of pandemic doesn't exist? I ask my brothers and sisters. But how do you keep the friends you had yesterday, Mas Listyanto, Antoni, so they can keep working? That's my orientation. If there's more later, I'll give it to my parents in my own way, but if once again in one month I give tens of millions and it's not there, I don't even want it, there's really no money there." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Values like ours serve like our religion. Yes, serve people well, full of joy without thinking about money orientation, serve and serve until the person smiles. Hospitality principles are like those values, except for family values, which are just normal, how to respect people and so on." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

Based on the above, it can be seen that relationships with family and business members are based on communication, trust, commitment, as well as values and traditions.

When the successor runs the family business, there are friends who become advisors to develop this business. However, this family business does not have regular financial planning. The successor only ensures that operational costs are safe and under control. The successor directs employees with simple management while continuing to learn from time to time. This is like the results of the interview with the successor below.

"In planning until today, at the beginning I made the finances out, how much income I got, and how much I spent, I recorded it. Now it's been almost five or six years that I haven't recorded it, because every month we have enough for staff costs, paying for electricity to maintain the place, even though it's not as much as this place, if the maintenance is extraordinary it hasn't been done well and so on, how much does it cost to cut the grass at our place? In that area, that many hectares is at most 100 thousand cuts of grass, so the maintenance is there, so I don't have any financial planning.

Yes, June is a little profitable, I don't have any plans." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"In fact, when I was working in this field, my consultant or my advisor just applied it. As I continue to work here, I find out what problems there are, just to share that there was an incident there yesterday, and then I solve it in a way like this, so I can also apply it in that place. Or conversely, what I'm used to here is more or less the same." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"But we rarely do. Brother and sister are busy with their respective businesses, they rarely come to give advice and so on because this is not their field. How can someone be an advisor when he doesn't understand what he is going to do? Yes, the most normative is respecting people and so on. But when it comes to financial cash they don't. If it's angling, he can create a system that makes the system angling based on input from friends in the angling field, he just needs to create the software like that." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"That was when I worked at D'Emmerick for 19 years. In 2002, my parents asked me to manage it. I just don't want to because I don't have the skills in that field after I found out oh like I work there." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Oh, they don't have any girls at all, oh this has to be sold at that rate, I have a standard price, let's say this is an example of a policy that might be extreme because my business orientation is different, I'm oriented on how to maintain the place so it's viable. Because before I managed it, it was like a forest, now the grass is neatly manicured, My orientation is there regarding the general price, the general price is said to be 200. I can sell it at 30 thousand. If it's impossible in other places, that's not possible." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

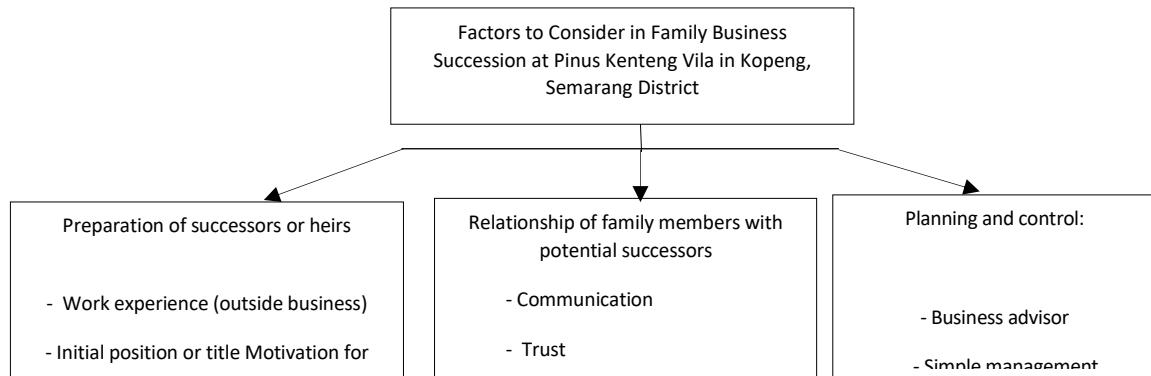
"Worked well, directing the friends who were there. Here I also learn how to make myself much more mature in thinking. I don't think there's time, so that's what I decided after I left d'Eemerick and then I moved there. So there was no handing over because it was empty there and there was no management, In 2014 I took an expert. There are only 5 employees here." (Rum Sapundani

(Dimas), 43 years old, Successor to the Family Business).

Based on the above, family business planning and control is carried out by paying attention to business advisors, simple management, and continuous learning.

The results of this study are different from previous findings. Previous research has found that the factors considered in family business succession are as follows: 1. Readiness of the next generation or heirs (formal education, training, work experience outside the company, initial position or title, years working for the company, motivation to join with the company, self-perception of preparation as a successor). 2. Relationship between family members and potential successors (Communication, Trust, Commitment, Loyalty, Family Rivalry, Conflict, Resentment, Values and traditions). 3. Planning and control (Financial planning process for succession purposes in the company, consultants or advisors involved, members who monitor and provide input). This previous research was conducted by [11] [12]. The results of this research resulted in the finding that the factors considered in the succession of the family business at Pinus Kenteng Vila in Kopeng, Semarang District are as follows: 1. Preparation of successors or heirs (work experience (outside of business), initial position or position, motivation to join with business, self-perception of preparation). 2. Relationship with family (Communication, Trust, Commitment, Values and traditions). 3. Planning and control (Business advisory, Simple management, Continuous learning).

Through the results of interviews with successors, it can be concluded that the construction of factors considered in family business succession is as follows:



Source: Processed primary data, 2024

Fig 3. Construction of Factors Considered in Family Business Succession at Pinus Kenteng Vila in Kopeng, Semarang District.

5.4 Pinus Kenteng Vila Family Business Succession Process

This family business was previously run by parents (mother) as the predecessor generation. However, because the mother died, the child, who had work experience in the hotel and tourism sector, continued this business. Then the successor to the family business carries out business planning by dividing tasks. The successor is tasked with business operations, while other family

members are responsible for licensing, marketing and IT. This is as a result of interviews with successors and family members involved in the following businesses.

"I don't think there is. Actually, this appointment was not my personal initiative. No one has been appointed. If you want to be appointed, you won't want to. Actually, this appointment dates back to 2002, when my mother was still alive, I was asked what I would do to look after the place, but I didn't want to because I was still a beginner in that field, but once I had worked in a place with the same basics, I actually had the courage to manage it. That place was previously managed by someone else for making fertilizer. In the end I designed it for accommodation, camping and so on." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Motivation, this is actually not more about motivation, as I said before, we have been involved since we were little, I have been involved since junior high school, the cleaning department has been asked by my parents. In the past, it was more the mother who managed it, yes, the mother died and then we were really in charge. That's my brother's part in the field, I'm in the licensing and IT department, marketing too. So we spread it all out. So the motivation is to continue what the parents have entrusted, maybe that's what it is. It's a shame if it doesn't run anymore because it's already a business that's already running and already well known, if it doesn't run, it's a shame." (Angling Kusumandita 36 years old, Family Member Involved in Family Business).

Based on the above, it can be concluded that the predecessor generation is the parents, in this case the mother who continues the family business.

For the continuity of the family business, the previous generation hands over leadership to the next generation. The previous generation had 5 (five) children, but to continue this business those chosen were children who had experience in the hotel and tourism sector. Other family members also help according to their respective expertise. Successor work experience in other companies is applied in this family business to build a strategic business model. This is like the results of the following interview with the successor of the family business.

"Personally, I have never studied in the world of tourism or hospitality, it's just that I have worked at D'Emmerick at the White Cross so I can learn, gain knowledge from there, there is no formal education. Of the 5 siblings, only I have experience in the hotel and tourism sector, so I continue this business." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"Yes, at that time I was working for d'Emmerick as a division manager. In the end, maybe my performance was not good

enough and I was dismissed. Like it or not, I made that decision by utilizing existing knowledge. "Yes, serving guests in terms of guest service, creating pricing itself, determining prices, determining packages, outbound concepts and so on." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

Based on the above, it can be concluded that the next generation of this family business will be children who have experience in the same field as the business currently being developed by the family.

The success of a family business is determined by the development of leadership and managerial skills of family business successors. Successors and members involved in the family business gain experience from networks of those who have the same business and also take part in leadership and business management training to gain additional competence so as to create dynamic capabilities and unique services that are in line with the company's vision and mission. This is expressed in the following interview results.

"Whether they like it or not, they still have to be able to trust me because the only one of the five siblings who has basic hospitality and tourism skills is only me, the others don't even though they are much higher in education than me, I have a master's degree, my other brother has a master's degree. I never went to university for my bachelor's degree." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

"We are more into experience. not taking part in training - that's training. The most leadership training is on campus, but it's not something like special training at the accommodation, there's no such thing, yes, it's just from experience and we run it with the family like that. I have an older brother who has experience. Well, if he has experience in hospitality training. When I actually worked at the d'Eemerrick hotel, I was sent for six months of hospitality training if I'm not mistaken. Once he is more on the field." (Angling Kusumandita 36 years old, Family Member Involved in Family Business).

"So yesterday that made us confident about running, so in fact, when my older brother and I used to feel confident, that's because d'Emmerick's experience is like that, so if my older brother got together like that, let's go together, I'm sure with his many years of experience in d'Eemerrick, from experience We can make our own accommodation, this accommodation is more of a retreat place, a social gathering place, so from there we were sure because my sister convinced me so I became convinced too." (Angling Kusumandita 36 years old, Family Member Involved in Family Business).

Based on the above, it can be concluded that individual development, especially family business successors, is needed for sustainability. This individual development can be done through training, experience and discussions with experts in the hospitality and tourism fields to gain knowledge and business networks to create a competitive advantage.

Apart from individual development, family businesses require the role of successors and family members to be involved in the business according to their educational background, passion and targets to be achieved, thereby creating value for the surrounding stakeholders, such as employees, customers, hotel and tourism services, media or industry. This is in accordance with the results of the following interview.

"That was when I worked at D'Emmerick for 19 years. In 2002, my parents asked me to manage it. I just don't want to because I don't have the skills in that field. after I found out, oh like I work there." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business)

"I'm in the licensing department. The licensing section whose job is to carry out business permits. Because the family business is when we need us there, maybe my brother will also answer the same thing even though he is the one who manages it in the sense of managing finances or managing our customers, doing maintenance. So our work is not necessarily divided between you, this part, you this part or not. But when I'm there I can meet customers, I'm the one doing the presentation. So we all do it, so sometimes I also communicate with customers, in fact I'm also a guest house, so I also help with cleaning, sweeping, so that's the model at our place." (Angling Kusumandita 36 years old, Family Member Involved in Family Business).

Based on the above, it can be seen that the growth and development of a family business requires the involvement of all parties involved in the business, from upstream to downstream so as to create a value chain that provides benefits in every cycle faced by the company. Family business succession is a strategy to increase company assets. by utilizing existing resources and seeing opportunities in the micro and macro environment. Family business successors can protect or create value with a developed business model and revenue and cost analysis to obtain a strategic and innovative competitive position. This can be seen from the results of the following interview.

"In history, basically my father's land which was not used was actually used for fertilizer, then because I had worked in hotels and tourism, I developed it. That's the point." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

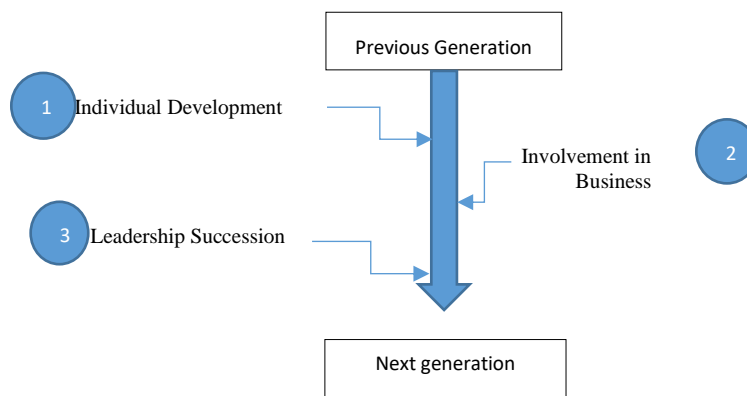
"Yes, so that your land doesn't fall into disrepair, that's the point. Very prepared - very ready, yes, it means very - very ready, it's land, not rented land, not someone else's land, yes, that means

whatever happens will always be ours together, which is where other places can be a cost burden when the place is rented or whatever and so on . Next, at our place there is no such thing as a very large building – really requires a lot of care because almost everything is in the form of field, natural so we just have to look after it like in a garden, clean it and so on. If this building already existed from my father, we wouldn't never wake up." (Rum Sapundani (Dimas), 43 years old, Successor to the Family Business).

Based on the above, it can be seen that family business succession requires leadership from the successor to manage resources and develop it into a growing business through internal business processes that are adaptive to current developments, improving the quality of service to customers, as well as building a healthy financial foundation, thereby creating continuity.

Previous research produced findings that the family business succession process is as follows: 1. (Individual development process), 2. (Period of involvement in succession), 3. (Leadership succession stages). This research was conducted by [8]. The findings of the succession process from the previous generation to the next generation found in research on family business succession at Pinus Kenteng Vila in Kopeng, Semarang District are the same as the results of previous research, namely as follows: 1. Individual development, 2. Involvement in business, 3. Leadership succession.

Through interviews with successors and family members involved in the family business, it can be concluded that the construction of the family business succession process is as follows:



Source: Processed primary data, 2024

Fig 4. Construction of the Family Business Succession Process at the Pinus Kenteng Vila in Kopeng, Semarang District.

6 Conclusion

Factors considered in a family business include: preparation of successors or heirs, relationships with family and business members, as well as planning and control. Preparation of a successor or heir consists of several indicators, namely as follows: work experience (outside the business), initial position or position, motivation to join the business, and self-perception of preparation. Relationships with family and business members consist of several indicators, namely as follows: communication, trust, commitment, as well as values and traditions. Planning and control consists of several indicators, namely as follows: business advisor, simple management, and continuous learning. The process of family business succession from the previous generation to the next generation starts from individual development, involvement in the business, and finally leadership succession.

6.1 Theoretical Implications

This research uses concepts related to family business. To answer the research question, the concept used is the factors considered in family business succession and the succession process. Previous research related to the factors considered in the family business succession process is research by [11] [12], on the succession process which has identified a number of factors related to an effective transition. These factors are divided into three categories. The three categories are as follows: 1. Preparedness of the next generation or heirs (formal education, training, work experience outside the company, initial position or title, years working for the company, motivation to join the company, self-perception of preparation as a successor). 2. Relationship between family members and potential successors (Communication, Trust, Commitment, Loyalty, Family Rivalry, Conflict, Resentment, Values and traditions). 3. Planning and control (Financial planning process for succession purposes in the company, consultants or advisors involved, members who monitor and provide input). From previous research the factors have been identified, but this research shows that the factors considered in the succession of the family business at Pinus Kenteng Vila in Kopeng, Semarang District are as follows: 1. Preparation of successors or heirs (Work experience (outside of business)), Initial position or position, Motivation for joining the business, self-perception of preparation). 2. Relationship with family (Communication, Trust, Commitment, Values and traditions). 3. Planning and control (Business advisory, Simple management, Continuous learning).

[1] states that succession is a whole business process to prepare for the transfer of power and control from generation to generation. Handler, (1992) formulated three stages in the succession process as follows: 1. (Individual development process), 2. (Period of involvement in succession), 3. (Leadership succession stages). This research also produces the same findings as [8], namely as follows: The process of succession from the predecessor generation to the next generation found in this research is the same as the results of previous research, namely as follows: 1. Individual development, 2. Involvement in business, 3. Leadership succession.

6.2 Applied Implications

The successor to the Pinus Kenteng Vila family business in Kopeng, Semarang District needs to pay more attention to planning and control factors to develop the business. Successors still use simple management and it is not clear how many business advisors and their competencies there are, so it is necessary and important for successors to continue to carry out

continuous learning so that they can formulate the most strategic business model to achieve competitive advantage. In the family business succession process, successors need to emphasize aspects of involvement in the business. Successors have not yet clearly formulated who is involved in the business, what their roles are, and the benefits they obtain. This can be used as material for evaluating whether the parties involved have provided added value to the company to achieve harmonious and innovative sustainability.

6.3 Research Limitations and Future Research Agenda

This research design is very simple and is descriptive qualitative in nature. This research also does not provide sufficient quantitative data, and there is no quantitative analysis. The results of this research also only refer to the factors considered in succession and the process. In the future, research can be carried out on the impact of succession on family businesses and it will be interesting to research family businesses that have more than 2 (two) generations with quantitative analysis. Apart from that, differences in the succession process for female and/or male successors can also be studied, or with certain levels of education, the number of family members involved, and the amount of assets owned. Further research on family businesses will enrich academics' and practitioners' understanding of the dynamics that occur in family businesses in Indonesia.

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