

Family Education on Business Succession (Systematic Literature Review Analysis)

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ABSTRACT

Determining the significance of parental information transmitted to successors for company success is the goal of the systematic literature review (SLR) article on the importance of business education in business succession. The family provides education through a variety of educational patterns in addition to official schooling. Writing a systematic literature review (SLR) paper involves library research using data from the databases Elsevier, ProQuest, Emerald, and Google Scholar. All selected articles are reputable. The SLR analysis uses the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) method to find relevant articles in accordance with the research objectives. The results of the study found that effective business education involves aspects of leadership, communication, professional management, human values, and long-term development strategies. Business education like this can shape the next generation who have integrity, competence, and enthusiasm to continue the values of the family or parents in business. The implications of the study explain to families to design a structured education and training process for the next generation of business from an early age.

Keywords: *Family Education, Business Succession, Literature Review*

1. INTRODUCTION

Economic advancement depends on family enterprises. According to Wasim et al. (2020), family firms are important economic entities that contribute to global economic growth and wealth creation. Family enterprises provide a significant contribution to employment and the GDP in a number of nations (De Massis et al., 2018). Family businesses are major players in global economic growth (Mota et al., 2019). For example, Vietnam has around 500,000 companies, 97% of which are businesses inherited from the family (Bell & Pham, 2021). The father as the founder of the company transfers his assets to his successors, especially sons. Bell & Pham, (2021) said that sons are considered the right people and in accordance with the socio-cultural order of collectivity in East Asian countries.

Worldwide, very few family companies make it to the second generation, and even fewer make it to the third, according to Aguilera et al. (2008). One of the most significant challenges that family companies will face in the future is succession planning (Ge & Campopiano, 2022). In terms of both human aspirations and economic conundrums, succession is the most difficult time in a family organisation's existence (Olufemi, 2021). Due to the numerous tough choices that must be taken to guarantee that the company endures from one generation to the next, succession planning is a very complicated procedure (Tien, 2023). Only over 30% of family companies make it to the second generation, and less than 15% make it to the third (Porfirio et al., 2020a). Mokhber (2017) estimates that only around 3 percent of family companies make it to the fourth generation and beyond.

Previous studies have highlighted that incomplete knowledge transfer from the older generation to the younger generation is the main cause of family business succession failure (Ge & Campopiano, 2022). Many family businesses have been empirically proven to have a negative impact when there is a leadership succession in the business. For example, RST as a family-owned restaurant founded in 2003 in China. Since 2014, the RST restaurant's workforce has decreased to the point of layoffs as a result of the second generation's ignorance of knowledge management (Wasim et al., 2020). For the following generation to comprehend, it is essential that the information, values, and vision of the preceding generation be passed down (Corona, 2021). Therefore, succession in family businesses needs to pay attention to the knowledge aspect based on developments in the business world.

Although the literature on family business succession has grown rapidly in recent decades (Nave, E., Ferreira, J. J., Fernandes, C. I., do Paço, A., Alves, H., & Raposo, M. 2022), research that specifically examines the role of family knowledge in facilitating business succession is still relatively limited (Basco & Calabrò, 2017). Most previous studies still focus on psychological knowledge and ownership structure (Ge & Campopiano, 2022). With that, the novelty

offered in this study aims to examine the family business literature that is passed on to the next generation in terms of knowledge that includes three aspects, namely unique knowledge about the company, how to manage the company, and an effective administration system in family businesses. These three aspects of knowledge will be analyzed with a combination of technological developments and modern business systems based on previous literature studies. The findings of this literature review may provide fresh insights that improve the succession of family businesses.

Increased understanding of the succession process in family companies and the analysis of pertinent information in line with technological advancements and contemporary business systems for family company successors are the goals of this study. This study will answer studies related to how family education patterns, transfer of values, early involvement in business, and family communication strategies contribute to the formation of capabilities and readiness of the next generation to take over the family business. It is anticipated that a more thorough comprehension of these dynamics would enhance scholarly research on the sustainability of family firms and have practical consequences for family businesses in creating knowledge strategies that are effective in preparing for succession.

2. LITERATUR REVIEW

Family education is a process of forming attitudes, values and habits that can motivate, encourage and support students emotionally, socially and financially to develop a business (Saoula et al., 2023). Family education has a very important role in the process of student business development. Students can mobilize resources from family members to improve business performance. Family resources can be in the form of labor, knowledge, information, and finance. Feng Xu, et al. (2020) explained that family education is very important especially when starting a business. The family provides support in financing initial capital and the social environment such as finance, expanding relationships and networks. With that, students who start a business need to establish interpersonal relationships with their families to get support in terms of education, finance and relationships (Arimbawa & Widhiyani, 2021; Saoula et al., 2023).

Business succession is the process of transferring business leadership and responsibility from the founding generation to the next generation (second generation and beyond) (Cardella et al., 2020). Family business succession is usually the parents' business that is passed on to their children. This family business succession is very important to maintain the continuity of the family business in the long term. The education pattern taught by parents certainly includes leadership, management, communication, and values that need to be maintained in business (Muhani et al., 2024). According to Aguilera, et al. (2018) found that communication patterns are very important for the success of business success from parents to children. Porfirio, (2020b) found that family communication and trust in the next generation are very important for the success of family business succession.

3. RESEARCH METHOD

This review uses a systematic literature review approach following the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) protocol. A literature search was conducted in major academic databases including Elsevier, ProQuest, and Google Scholar for articles published between 2020-2025. Search keywords included combinations of: "family business succession," "family education," "nextgen preparation," "intergenerational transfer," "successor development," and "family business continuity."

General characteristics of the research subjects include: (1) peer-reviewed articles in English or Indonesian, (2) focusing on the relationship between family education and business succession, (3) using a clear research methodology, and (4) presenting substantial empirical findings or conceptual analysis. After going through the screening and eligibility assessment process, several articles were selected for in-depth analysis.

4. RESULTS

4.1. Identifying Relevant Literature

Articles published between 2020 and 2025 were gathered by researchers as pertinent material for the investigation. Thirteen publications were found in the Elsevier database, thirty-four in ProQuest, 179 in Emerald, and sixteen in Google Scholar. After identification, 114 journals out of the 242 total that were searched across the two databases matched the research publications. There were 67 research papers out of the 114 that were filtered using four criteria throughout the inclusion procedure. There are just 28 research articles left after the 67 will be chosen once more based on the abstract and title. In the last phase, 28 research papers will be chosen based on the title's pertinent research objectives. The results of the selection contained 7 research articles that were very relevant to the researcher's objectives.

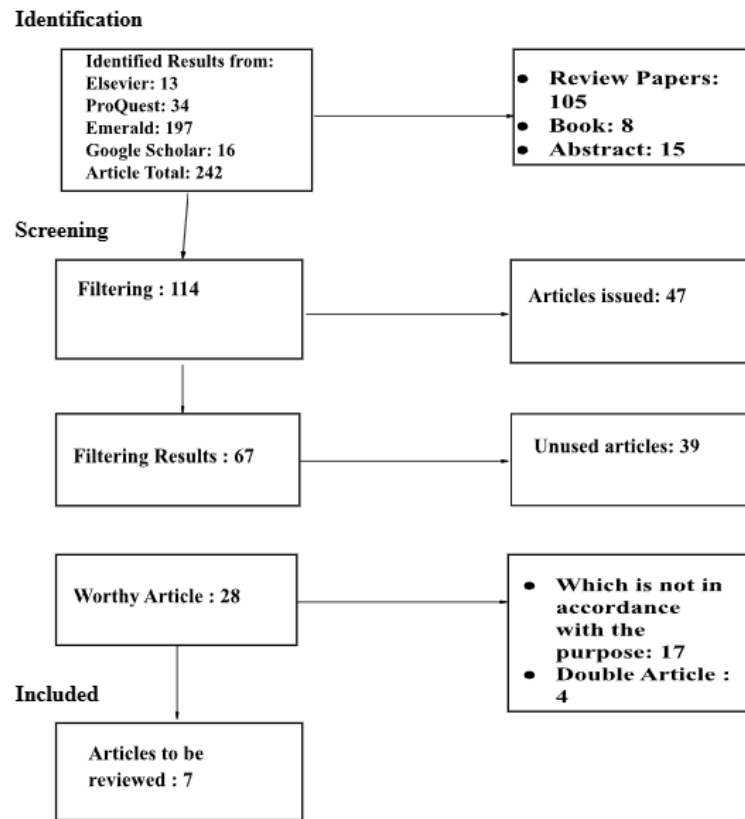


Figure 1 Literature Identification through Elsevier, ProQuest, Emerald, and Google Scholar Databases

Table 1. Research Article Resume That Matches This Research

Research	Findings
(Clinton et al., 2024)	Parents can trigger daughters' succession intentions through instrumental support, along with providing work experience in the family business.
(Rumanko et al., 2021)	If direct descendants are not suitable as successors in managing the company, the owner can hand over management to a professional manager, and direct descendants will not be bound by the management of the company or only by its ownership.
(Iwu et al., 2024)	In order to improve long-term sustainability, foster cooperation, ease knowledge transfer, and expand the entrepreneurial ecosystem, the findings offer strategies for establishing mutually beneficial partnerships between family companies and business incubators. It also recognises difficulties, such cultural fit in family-run enterprises. By providing assistance, resources, and coaching, business incubators in Africa can improve the viability of family businesses, even during succession.
(Agrawal et al., 2025)	Research findings show that formal education as a good succession plan and early affiliation in business. Formation of a shared vision for the future. Active involvement of successors in the succession process, tacit knowledge transfer, building trust and credibility in successors and competence.
(Zehrer & Leiß, 2020)	Models in communication behavior to address succession problems, such as inferential models, family function models, and relational dialectic theory.
(Dzvairo, 2024)	The use of Ubuntu and the development and selection of successors have a positive and significant relationship with the success of family business succession planning.

Research	Findings
(Isnaini et al., 2024)	The study's findings indicate that ethnic Chinese provide their kids the chance to carry on the family company as all kids, males and girls alike, have the same rights to own a family business. Preparing the successors of ethnic Chinese family businesses begins with family entrepreneurship education, guiding potential successors, inviting potential candidates to learn more about the family business, and involving potential successors in their business activities.

The educational pattern taught by parents in business succession certainly includes leadership, management, communication, and values that need to be maintained in business (Muhani et al., 2024). Of the seven articles that have been selected according to the objectives of this study, one article that explains business education in business succession can be done through leadership, namely Agrawal, et al. (2025). Agrawal, et al. (2025) found that education can form a shared vision for the future, active involvement of successors in business, tacit transfer of knowledge, building self-confidence and credibility. All of this education is provided so that business successors have good leadership competencies in managing the next business.

One article that explains that business education can influence business success through communication patterns is Zehrer & Leiß, (2020). Zehrer & Leiß, (2020) explain that communication is a bridge in the business succession process. The communication used is inferential, which means providing conclusions that are the core of various information in business. Communication can also be done through relational dialectics, which means education as a means of control for business successors so that their successors have independent behavior. With that, communication becomes a strategic tool in preparing the next generation for success in family business succession.

The success of business succession in the family can also be achieved through good business management. One article from Rumanko, (2021) explains that if direct descendants are not suitable to be successors in managing the business, the business can be given to people who understand business management. The owner can hand over management to a professional manager, not necessarily a direct descendant. In the context of management, the pattern of succession education does not only rely on automatic heirs, but through management based on competence, not only because of blood relations (Rumanko et al., 2021).

One article from Dzvairo, (2024) found the use of Ubuntu values in the process of selecting a successor to a family business. The intended Ubuntu values are in the form of an emphasis on togetherness, mutual care, and relationships between individuals. From this study, Dzvairo, (2024) emphasized that the values of togetherness and humanity play a major role in the succession education process. This approach has a positive and significant relationship to the success of family business succession planning. This encourages family businesses not only to inherit the business, but also to continue the spirit and ethos of family values in running the business.

Meanwhile, three articles from (Clinton et al., 2024), (Iwu et al., 2024), and (Isnaini et al., 2024) explain that business education patterns for successful business success can be inherited through leadership, management, communication and values. (Clinton, et al. (2024) found that parents can encourage children's successful intentions through instrumental support, such as leadership, communication, management and business values that need to be passed on to children. Iwu, et al. (2024) explained that business success can be successful by building a business incubator for long-term sustainability, collaboration, knowledge transfer, and growth of the business ecosystem. Meanwhile, Isnaini, et al. (2024) found that success can be achieved by focusing on introducing children to the business world, coaching, exploring leadership potential and involving children in business activities.

4. DISCUSSION

Based on the results of the analysis of seven articles discussing the role of business education in the success of business succession in families, various strategies can be found from the results of previous research analysis.

4.1. Business and Leadership Education

Business education provided to successors is essential to form a long-term vision, increase engagement in the business, and foster confidence and credibility (Agrawal et al., 2025). All of these are essential to equip successors with the leadership skills needed to manage a business.

4.2. Business and Communication Education

Effective communication is an important bridge in the business succession process (Zehrer & Leiß, 2020). Good communication, both inferentially and rationally, can shape independent behavior in business successors. Communication becomes a control tool and strategy in running a family business (Ballesteros-Sola & Magomedova, 2023).

4.3. Professional Business and Management Education

Business education does not only focus on hereditary inheritance, but can be handed over to people who are more competent in management (Rumanko et al., 2021). Business education encourages competency-based management, not just because of blood relations (Christensen et al., 2023).

4.4. Educational Values and Human Ethics

Ubuntu values such as togetherness, caring, and interpersonal relationships can strengthen the educational process in selecting the right successor (Dzvairo, 2024). This education not only passes down the business, but the spirit and work ethic of the family (Blesia et al., 2021). In addition, business success can be passed down through educational patterns that teach instrumental values such as leadership, management and ethics to prepare the next generation of business (Clinton et al., 2024).

4.5. Innovative Education and Business Ecosystem

Education-based business incubators are essential to foster long-term sustainability of family businesses (Iwu et al., 2021). This education includes collaboration, knowledge transfer, and growth of the business ecosystem (Christensen et al., 2023). Innovation also grows depending on the potential approach to early childhood (Krishnamurthy, 2020). Children who always receive coaching, training, and involvement in business can foster innovation in themselves (Isnaini et al., 2024).

5. CONCLUSION

Business education plays an important role in ensuring the sustainability and success of family businesses. An effective education pattern involves aspects of leadership, communication, professional management, human values, and long-term development strategies. With this education, business education not only focuses on continuing the business, but also forms a generation that has integrity, competence, and passion to continue the values of the family or parents in business.

This study only relies on the analysis of seven articles relevant to the topic without any primary data or field findings. This study limits direct understanding of the implementation of business education in the real context of family businesses. The focus of the study is also limited to the next generation as heirs to the family business. Whereas the influence of the previous generation, the business environment, and family dynamics also influence the success of business succession. With that, suggestions for further research are to use a primary approach with a focus on a specific local context to produce research that is not only seen from the perspective of education and management. Further researchers can review family psychology and inheritance law based on a specific cultural context.

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