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Family Culture and Succession in Family-Owned and Managed Supermarkets in South Eastern Nigeria

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Abstract: The unprecedented increase in the failure rate of family-owned and managed businesses in South Eastern Nigeria has been linked to the multi-cultural nature of the region. Since the region is rooted in individualistic and collectivistic cultures, this study investigates the effects of these cultures on management succession and ownership succession with a special focus on supermarkets. A cross-sectional survey design was adopted for the study. At the same time, a criterion sampling technique was employed to select 279 descendants/CEOs from a population of 349 registered supermarkets with the respective five State Ministries of Commerce and Industry in South Eastern Nigeria. The generated data via questionnaire were subjected to simple bivariate regression analysis. It was found that the effect of individualistic culture was only significant and positive on ownership succession. Again, collectivistic culture had a significant and positive effect on ownership succession. As such, family-owned and managed supermarkets in South Eastern Nigeria can enhance their ownership succession by employing either their individualistic or collectivistic culture to shape and/or reshape the potential successors' preferences and behaviours. To facilitate successful management succession, families should put in place other cultural values that can foster supportive relationships between incumbent managers and potential managers of family businesses.

Keywords: *Family culture, Individualistic culture, Collectivist culture, Ownership succession, Management succession, Family-owned and managed supermarket*

INTRODUCTION

Ever since Hofstede (1980) proposed that individualism is the opposite of collectivism and went further to develop the four and then five dimensions of culture to facilitate the description, measurement and comparison of cultures (Hofstede, 1980, 1991), so many researchers have followed suit (e.g., House *et al.*, 2004; Trompenaars & HampdenTurner, 1997). Among the dimensions,

individualistic culture and collectivistic culture have not only remained the most researched but are empirically affirmed as two different dimensions of culture (Fatehi *et al.*, 2020; Taras *et al.*, 2018). Individualistic culture has been described as “culture of separateness” because individuals who practice it prefer achieved to ascribed relationships, while collectivistic culture is referred to as “culture of relatedness” on the grounds that the people who practice it maintain ascribed and interpersonal relationships (Kagitçibasi, 1990). These two

dimensions of culture are practiced in families, organisations and societies (Hofstede, 1980, 1991; Magasi, 2021). With respect to families, family-owned and managed businesses are unique because their business cultures are rooted in the founders' family culture (Agbim, 2019).

Family-owned and managed businesses have the most powerful ownership and leadership (management) succession worldwide (Rahman et al., 2017). However, their key challenges (Mokhber et al., 2017; Porfirio et al., 2020) are management and ownership succession (Agbim, 2019; Okoh et al., 2021). Even though all businesses face related succession challenges, they are more complicated within the family businesses. This is because of management and ownership conservation in the owning and managing family (Alayo et al., 2016). In line with the agency theory, the challenge worsens when the manager's interest is not aligned with that of the founder/CEO, descendant/CEO, or the family (Ham, 2020). However, the self-centeredness of the manager can be checked by the stewardship theory, which emphasizes goal congruence and promotes a collectivistic culture (El Fasiki, 2013; Fatehi et al., 2020).

The Igbos of South Eastern Nigeria are renowned for their collective dominance of the Nigerian business sector. A feat they have achieved through the Igbo Traditional Business School (I-TBS), Igbo Apprenticeship System (IAS), or "igba boyi" (i.e., to serve a master with the intent of learning a trade) (Amaechi et al., 2021). In addition, the high level of acquired competencies associated with the I-TBS augments the performance and commonplaceness of family businesses in South Eastern Nigeria (Onu, 2023). Yet, over 70% of these businesses die before their founders. This high failure rate has been linked to management and ownership succession (Agbim, 2019; Otika et al., 2019). Again, there is a rarity of studies investigating the contributions of individualistic and collectivistic cultures to management succession and ownership succession. Researchers who studied management succession (e.g., Ham, 2020; Magasi, 2021) and ownership succession (e.g., Drewniak et al., 2020; Sam, 1998) did not relate it to family culture. The few studies focused on culture and succession with discordant results that did not associate individualistic and collectivistic cultures with management succession and ownership succession (Otika et al., 2019).

Most family-owned and managed supermarkets in South Eastern Nigeria started small during the pre-colonial and early part of the colonial eras. They failed before the demise of their founders due to a lack of a visible management and ownership succession plan or implementation. Towards the end of the colonial era and with the incorporation of the I-TBS, which is family culture oriented into supermarkets, the supermarkets grew from small to medium and large businesses. However, cases of supermarket failures associated with management and ownership succession started again after the Nigerian-Biafran civil war and have continued to date (Agbim, 2019; Kanu et al., 2023). Specifically, these failures stem from the "get-rich-quick" syndrome among the trainees, incompetence and mismanagement among potential managers and owners, leadership and ownership tussles among children of the

founder/CEOs and descendant/CEOs, and pilferage and theft involving the family and non-family employees. All these are increasingly resulting in job losses, financial losses, name-calling, physical and/or diabolical fights, litigations, and sometimes assassination or closure of the supermarkets (Agbim, 2019; Amaechi et al., 2021; Kehinde et al., 2022).

Further, even though family business management and ownership succession are largely based on primogeniture (Onuoha, 2010; Otika et al., 2019), the history of failures of the supermarkets, the attendant attacks on inheritance culture, and the unprecedented performance of women in family businesses are somewhat gradually reversing the cultural practice of primogeniture in South Eastern Nigeria (Kehinde et al., 2022; Onuoha, 2010; Udoh et al., 2020). The motivation for this study includes the individualistic (celebrates individual efforts) and collectivistic (appreciates family or group efforts) nature of the people of South Eastern Nigeria; supermarkets in the region are rooted in the I-TBS (Amaechi et al., 2021; Bąkiewicz, 2020; Otika et al., 2019; Kanu et al., 2023); and the supermarkets were started based on solopreneurial (individual) efforts and/or family entrepreneurial (collective) efforts (Agbim & Oyekan, 2021). Hence, this study seeks to answer the following questions: Does individualistic culture contribute to the management succession and ownership succession in family-owned and managed supermarkets in South Eastern Nigeria? Does collectivistic culture play any role in the management succession and ownership succession in family-owned and managed supermarkets in South Eastern Nigeria?

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Theoretical Foundation

As Michael Jensen and William Meckling propounded in 1976, agency theory holds that a business enterprise has a set of agency relationships among its numerous stakeholders (e.g., business owners, managers, customers, suppliers, creditors, employees, and the community). These relationships involve agency costs, which arise when the agent and the principal have separate goals (Barrett, 2014; Jensen & Meckling, 1976). When the family's interests are at variance with the manager's, the manager becomes individualistic by working for his/her gain (Ham, 2020). However, all interests may be aligned based on the family culture (individualistic or collectivistic) (El Fasiki, 2013; Hofstede, 1980). This alignment can reduce agency costs with the help of good stewards. Stewardship theory was first applied in management in 1997 by J. H. Davis, F. D. Schoorman, and L. Donaldson. Stewardship theory emphasises accountability when family business ownership is transferred from the founder/CEO or descendant/CEO (principal) to a new descendant/CEO (agent). It views the incumbent descendant/CEO as a steward who is more strongly focused on collective rather than individual goals. Thus, stewardship theory supports a high level of identification and commitment to family business activities by family members (Agbim, 2019; El Fasiki, 2013; Schillemans & Bjurström, 2020; Wang, 2018).

Family Culture

A family is a group of people who usually live together in a society. When it comprises a husband, wife, and children or husband, wives, and children (in the case of a polygamous family), it is called a nuclear family. The extended family is made up of the husband, wife or wives and children, as well as all those who are related to them by blood, marriage, and adoption. These include grandparents, uncles, aunts, nephews, nieces, step-brothers, sisters, and adopted children. Family plays a dominant role in developing family members' abilities through culture (Agbim, 2019). Hofstede (1991) views culture as the patterns of thinking, feeling, and acting underpinning the collective programming of the mind, which distinguishes the members of one group or category of people from another. It can be inferred from Hofstede's definition that family culture exists. For this study, family culture is the way of life of nuclear and/or extended family members who share similar values, beliefs, meanings, symbols, assumptions, ideologies, myths, rituals, and language or dialect, mostly by learning and experiences in a defined geographical location. El Fasiki (2013) states that family culture can lead to a novel family business culture when the family enforces it. However, this can vary based on the dimension of culture (Hofstede, 1991). Individual and collectivistic cultures are the most employed dimensions in extant literature (Fatehi *et al.*, 2020; Hofstede, 1980, 1991).

Individualistic Culture

Individualistic culture is a way of life in which the ties between individuals are loose: everyone looks after himself or herself and his or her immediate family (Hofstede, 1991). As such, individualistic culture enhances rational ties rather than emotional ties. This explains why profitable exchanges, even at the detriment of others, are fostered among the people (Triandis *et al.*, 1993). Individualistic culture promotes sharing with the immediate nuclear family, separation from in-groups, willingness to confront in-group members, and personal responsibility for successes and failures (Kim, 2001). The achievement of personal goals characterises individualistic culture, prioritisation of individual attitudes, exchange relationships (Triandis *et al.*, 1993), "I" consciousness, autonomy, emotional independence, individual initiative, right to privacy, pleasure-seeking, financial security, need for specific friendship, and universalism (Hofstede, 1980).

Collectivistic Culture

Collectivistic culture represents a way of life in which people from birth onwards are integrated into strong, cohesive in-groups, which, throughout their lifetime, continue to protect them in exchange for unquestioning loyalty (Hofstede, 1991). Collectivistic culture describes a way of life in which social rules and patterns control group members. This culture is naturally based on extended families. Thus, collectivistic culture emphasizes in-group needs, collective social behaviours, common beliefs and group collaboration (El Fasiki, 2013). Collectivistic culture depicts "we" consciousness, collective identity, emotional dependence,

group solidarity, group decision, and particularism (Hofstede, 1980). Collectivistic culture promotes social harmony, resource sharing, minimal conflict (Kim, 2001), good relationships, seniority, loyalty (Schaubroeck & Lam, 2002), resource sharing, and togetherness (Kim, 2001). In-groups in collectivistic cultures tend to be few and long-standing. People define themselves by their in-group membership and subordinate their personal goals to those of the in-group (Triandis *et al.*, 1993). Asian countries such as China, Japan, Korea, and most African countries like Nigeria are considered collectivists (El Fasiki, 2013; Triandis *et al.*, 1993).

Family-Owned and Managed Business

Chua *et al.* (1999) defined family business as a business governed and/or managed to shape and pursue the vision of the business held by a dominant coalition controlled by members of the same family or a small number of families in a manner that is potentially sustainable across generations of the family or families. There are three levels of involvement of families in business. In the case of family-owned businesses, the family is not necessarily involved in the operation and management of the business. Rather, the family merely influences the business through ownership and governance. Family-managed businesses are entirely under the command and influence of one member of the family or a group of family members. In the case of family-owned and managed businesses, one or more family members influence the business's operations through ownership, governance, and management. Hence, Wang (2018) averred that if a family has the ownership right but not the management right of a business, it cannot be called a family business. The reason is that family business management rights come from ownership rights; family-owned and managed businesses are, in essence, the businesses that are family businesses (Chua *et al.*, 1999; Danisworoi & Wangid, 2022; Ham, 2020). Family business is rooted in culture (Agbim, 2019; Agbim & Oyekan, 2021).

Succession

The term "succession" originated from the Latin word "successionem", meaning "a following, a coming into another's place" (Ozdemir & Phil, 2019). Succession entails a series of integrated processes whose success or failure can be determined by diverse factors. In family business, succession is the intra-or inter-generational transfer of family business management and/or ownership from the predecessor to the successor (Agbim, 2019). Succession ensures that management and ownership rights are transferred to competent family members (Mazzola *et al.*, 2008; Lungeanu & Ward, 2012).

Management Succession

Management succession is transferring managerial control from one leader or generation of leaders to the next (Shepherd & Zacharakis, 2000). It is the transfer of management position and responsibilities from the current general manager to the business new general manager (Warnar, 2012). Incorporating training and experience, Rothwell (2016) refers to

management succession as promoting experienced and prepared workers based on acquired skills and abilities required to lead and assume higher-level management responsibilities. Hence, management succession entails planning, selection, and preparation of the next generation of managers, transition in management responsibilities, a gradual decrease in the role of previous managers, and final discontinuation of any input by previous managers (Erven, 2007). Management succession also depicts training the successor, involving the successor in business management and successor factors fit (Magasi, 2021).

Ownership Succession

Ownership succession refers to the transfer of assets and liabilities of a business from the incumbent to the successor (Agbim, 2019). Even though the family business founder/CEOs or descendant/CEOs determine the time and method of ownership transfer, this succession process still presents daunting and diverse challenges (Giarmarco, 2017; Muñoz-Bullon *et al.*, 2018) that tend to undermine successful ownership succession (Ham, 2020).

Hypotheses Development

Individual differences can be explained by their cultural backgrounds (Mierzal *et al.*, 2017). For instance, successors' perceptions of preparation in family business succession are influenced by diverse conditions (Porfirio *et al.*, 2020) that are embedded in their culture. As Otika *et al.* (2019) noted, the primogeniture inheritance rule influences the management succession of family-owned businesses, while family culture protects family business ownership succession. This is because family businesses are founded on family culture (Kansikas, 2005; Sund & Bjuggren, 2010). Specifically, individuals who value their families rely on their individualistic culture to drive their family entrepreneurship (Barrios *et al.*, 2021; Bazzi *et al.*, 2020; Gorodnichenko & Roland, 2012). The looser family ties among the members encourage next-generation engagement through management succession (Davis & Williamson, 2020; Magasi, 2021; Torres *et al.*, 2023). Holderness (2017, p. 471) affirmed that egalitarianism, that is, "societal beliefs toward the equal (as opposed to hierarchical) treatment of individuals," explains how ownership is concentrated in the hands of few investors. However, the inability of individualist culture to internalise business control benefits and bear associated costs, makes the extent of business ownership in this type of culture lower. Therefore, the controlling ownership power is less diffusely held by the founder/CEO or descendant/CEO (Fan *et al.*, 2022). Consequently, we propose the following hypotheses:

H01: Individualistic culture has no significant effect on the management succession of family-owned and managed supermarkets in South Eastern Nigeria

H02: Individualistic culture has no significant effect on the ownership succession of family-owned and managed supermarkets in South Eastern Nigeria.

When individuals put their family and group interests before individual interests (Gorodnichenko & Roland, 2012), the impact on their next-generation succession in family business will begin to stem from their collectivistic culture (Bąkiewicz, 2020; Torres *et al.*, 2023). In-group collectivistic culture can predict successful succession in family-owned businesses (Taruwina, 2011). Business founders who strongly practice collectivist culture engage more family members as managers, share ownership with more family members, and conserve more ownership within the family business. As such, a collectivist culture promotes family business management, ownership succession, and a more diffused family ownership structure. These collectivist cultural traits of the founders originate from their birthplaces (Fan *et al.*, 2022). Fan *et al.* add that a strong collectivist culture facilitates the employment of more family members as managers and the retainment of ownership in the family. Collectivist cultural values are relationship-specific assets whose benefits and costs are internalized by a family or group sharing the values. Business ownership and ownership diffusion may be higher in collectivist culture-oriented families. Based on the foregoing, we argue that collectivistic culture might influence next-generation engagement (Torres *et al.*, 2023) in management and ownership succession. However, this culture can constrain management and ownership succession by family members (Akwaeze *et al.*, 2023; Fan *et al.*, 2022; Gbadegeshin, 2013; Tsoutsoura, 2015). Accordingly, we hypothesise that:

H03: Collectivistic culture has no significant effect on the management succession of family-owned and managed supermarkets in South Eastern Nigeria

H04: Collectivistic culture has no significant effect on the ownership succession of family-owned and managed supermarkets in South Eastern Nigeria.

RESEARCH METHOD

Population and Sample Size

The population of the study is made up of all the registered supermarkets with the respective Ministries of Commerce and Industry in the five States that make up South Eastern Nigeria [i.e., Abia (84), Anambra (98), Ebonyi (46), Enugu (64) and Imo (77)]. Thus, the population of the study is 349. The study adopts a criterion sampling technique to select from the list of all the registered supermarkets in South Eastern Nigeria that are family-owned and managed. The list was screened based on predetermined criteria. The criteria are that: (i) the descendant/CEO of the supermarket is actively involved in the running of the business; (ii) the supermarket is owned and managed by the same family; (iii) one or more of the descendant/CEO's family member works in the supermarket; (iv) the supermarket experienced management and ownership succession between 1970, when the Nigerian-Biafran civil war ended and 2020, which was the onset of the coronavirus 2019 (code named COVID-19) pandemic and a period marked by unprecedented increase in the digitalisation of supermarkets; and (v) the supermarket is not moribund. Based on the screening, the sample size is 279 [i.e., Abia (67), Anambra

(72), Ebonyi (39), Enugu (48), and Imo (53)]. Owing to the small sample size, the study adopted the census method.

Measures

The study adopted a 5-item scale for individualistic culture, collectivistic culture, management succession, and ownership succession, as shown in Appendix A. The scales for individualistic culture and collectivistic culture were adapted from Triandis and Gelfland (1998), while the scales for management succession and ownership succession were adapted from Okoh et al. (2021). All the items were assessed on a 5-point Likert scale that ranged from strongly agree (5) to strongly disagree (1).

Validity and reliability measures

Table 1: Measurement Scale (Model Validity Measures)

See Appendix 1

When testing for validity and reliability of the measures adopted in the study, we performed a confirmatory factor analysis (CFA) using Amos 24.0 to check the model fit indices for the measurement scales, that is, the latent variables representing individualistic culture, collectivistic culture, management succession and ownership succession of the measurement model. The overall goodness-of-fit was considered excellent: $\chi^2 = 193.8$; $df = 164$; $\chi^2/df = 1.182$; $CFI = 0.995$, $GFI = 0.936$, $TLI = 0.994$, $IFI = 0.995$; $SRMR = 0.044$, $RMSEA = 0.026$ and $PClose = 1.000$. This indicates that our model fit indices were excellent (Hu & Bentler, 1999).

The validity and reliability check revealed that the indicator factors' loadings were significant and exceeded the acceptable value of ≥ 0.5 on their corresponding constructs. We established both convergent and discriminant validity because the average variance extracted (AVE) is ≥ 0.50 , and the square root of the AVE is greater than the correlation of the latent variables in the CFA. We further found that Cronbach's alpha and composite reliability values are ≥ 0.70 and ≥ 0.60 , respectively (Fornell & Larcker, 1981), indicating that there were no concerns with the validity and reliability (Table 1).

RESULTS

The mean, standard deviation, and bivariate correlations among the variables of the study are presented in Table 2. Table 2 shows that individualistic culture (IC) correlated negatively with management succession ($r = -0.26, p < .01$), but correlated positively with ownership succession ($r = 0.31, p < .01$). Table 2 further reveals that collectivistic culture (CC) correlated negatively with management succession ($r = -0.03, p > .01$), but correlated positively with ownership succession ($r = 0.41, p < .01$).

Table 2: Mean, Standard Deviation, and Bivariate Correlations among Variables

See Appendix 2

Test of Hypotheses

Since the study's independent and dependent variables are multi-dimensional, we performed four sets of simple bivariate regression involving H01, H02, H03, and H04. The SPSS (Version 23.0 for Windows) was employed to perform these tests. We applied bias-corrected 2,000 resample bootstraps (at 95% confidence interval). Fig. 1 shows the parameter estimates for all direct relationships in the model.

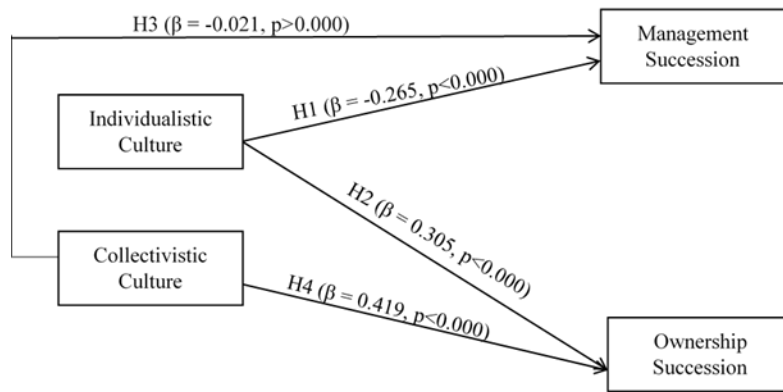


Fig. 1: The results of the structural model involving the effects of individualistic culture and collectivistic culture on management succession and ownership succession.

We found that individualistic culture negatively and significantly impacts management succession ($\beta = -0.265, p < 0.000$). Therefore, there was enough evidence to support H01. This implies that individualistic culture does not support management succession in family-owned and managed supermarkets in South Eastern Nigeria. However, we found that individualistic culture positively and significantly affects ownership succession ($\beta = 0.305, p < 0.000$). Thus, we found enough evidence not to support H02. This implies that individualistic culture significantly affects ownership succession in family-owned and managed supermarkets in South Eastern Nigeria. Further, we found that collectivistic culture negatively impacts management succession ($\beta = -0.021, p > 0.000$). H03 is supported. This suggests that collectivistic culture does not significantly affect management succession in family-owned and managed supermarkets in South Eastern Nigeria. Lastly, we found that collectivistic culture positively and significantly affects ownership succession ($\beta = 0.419, p < 0.000$). Thus, there is enough evidence not to support H04. Thus, it can be deduced that collectivistic culture positively and significantly promotes ownership succession in family-owned and managed supermarkets in South Eastern Nigeria.

Table 3: Hypotheses Results

See Appendix 3

Discussion of Findings

The central focus of this study was to determine the effect of family culture on succession. The specific focus was to ascertain the nature of the effect of individualistic culture and

collectivistic culture on management succession and ownership succession. The central assumption of the study was that the type of cultural orientation within a family would affect their business succession types significantly. Consequently, we tested the developed propositions for the study using samples from family-owned and managed supermarkets in South Eastern Nigeria.

Firstly, the study's results confirmed that individualistic culture negatively and significantly affects management succession. This result is contrary to popular findings that cultural norms and practices drive entrepreneurial behaviours (e.g., Shane, 1993; Torres & Augusto, 2019) by influencing next-generation engagement (e.g., Kotlar & Sieger, 2019; Soleimanof *et al.*, 2019) through management and ownership succession in the family business (Fan *et al.*, 2022; Torres *et al.*, 2023). However, the current result is seemingly in tandem with previous findings that the values (such as individualism) promoted by the culture of a people can encourage or discourage (Ahmad & Keerio, 2019) succession management in their family business (Akwaeze *et al.*, 2023).

More succinctly, individuals who practice a high level of individualistic culture tend to be associated with lower succession indices (Zellweger *et al.*, 2012) and less likelihood of becoming leaders (or managers) of their family businesses (Torres *et al.*, 2023). This result is supported by agency theory. As such, the variance in goals between the manager and the owning and managing family suggests that the manager focuses on his or her economic and physiological needs (e.g., security and well-being). The manager's self-serving and self-actualising character (i.e., individualistic culture) does not facilitate management succession (Ham, 2020; Tosi *et al.*, 2003). This result implies that family members of individualistic culture-oriented family businesses will prefer founding their family businesses to assuming the position of managers (through succession) in a retired or deceased family member's business, as family members are attracted by the pride in founding their businesses. Another implication is an increase in moribund supermarkets and the commonplaceness of non-family managers in such family businesses.

Secondly, the result confirmed that individualistic culture positively and significantly affects ownership succession. This result implies that individuals who grew up in individualistic culture-oriented families give up the right to select and transfer the new ownership right to a retired or deceased family member's business to the family. The family usually selects and transfers based on the family's cultural values, such as the conservation of business ownership within the family. Another possible implication is the near absence of family conflicts that are associated with ownership succession and failed businesses. This result is somewhat related to findings that supports keeping ownership within the family and ensuring that ownership succession occurs among family members. This practice guarantees protection of family values and cultures, and facilitate enhanced performance of the business (Gbadegeshin, 2013).

However, the current result does not align with the findings that family ownership succession requires more than knowledge from an individual. The knowledge needs to be transferred from the founder/CEO or immediate past descendant/CEO to the current descendant/CEO with the help of professionals and those who understand the family culture (Gbadegeshin, 2013; Kenyon-Rovine & Ward, 2005). This makes ownership succession more complex than management succession (Mellen & Evans, 2010). The fact that the family business management right comes from the ownership right and the ultimate power of a business resides with the owners gives the old owner(s) the right to select the new owner(s) based on the culture of the family; more specifically, on socioemotional wealth considerations (Agbim, 2019; Akwaeze *et al.*, 2023; Gbadegeshin, 2013; Wang, 2018). This is to make ownership succession successful (Ham, 2020; Pipatanantakurn & Ractham, 2016).

Thirdly, the data analysis results reveal that collectivistic culture does not significantly affect management succession. This result implies that families that practice a collectivistic culture, acting as an in-group, do not confer management rights on selected successors. This could be linked to family disharmony and lack of parental support and encouragement to their offspring to become management successors. Again, the result could mean that family businesses that carry on their operations collectively may have to employ other cultural values to promote management succession. This result does not align with Torres *et al.* (2023) findings that institutional collectivism may somewhat determine the effect of parental support on the leadership (i.e., managerial) intention of family members in the family business. Moreover, institutional and in-group collectivistic cultures can positively influence the level of next-generation engagement in the leadership of family businesses. This is important because, without next-generation engagement, transferring family business leadership to the younger generation may become impossible (Zellweger *et al.*, 2012). Further, despite the embeddedness of the self in a web of relationships and obligations (Gorodnichenko & Roland, 2012) and the importance of putting the family above the self as emphasised by collectivistic culture (Davis & Williamson, 2019), as shown by the current result, collectivistic culture failed to support management succession. This failure could be linked to weak family ties among family members and weak emotional ties between the family members and the family business (Davis & Williamson, 2020; Khavul *et al.*, 2009).

Fourthly and lastly, the results showed that collective culture positively and significantly affects ownership succession. This result implies that family businesses formed and operated based on the cooperative efforts of the members employ the same efforts during ownership succession. That is, in the event of incapacitation of any sort, retirement or demise of the founder/CEO or descendant/CEO, the family works together to select the ownership successor and to transfer the ownership right to the selected successor. The implication is that family businesses whose ownership rights are acquired through collective efforts are also transferred through the same efforts. The current result is related to Papalexandris and

Panayotopoulou's (2004) findings that a strong association exists between collectivistic culture and succession. The collectivist culture emphasizes the importance of the family via its more hierarchical and patriarchal nature and strong family ties (Davis & Williamson, 2019; Torres et al., 2023).

These close ties are formed by extended family members who perceive collectivistic culture as a source of support (Peng & Lin, 2009; Schmutzler et al., 2019) for their in-group relationships and emotional dependence. In-group collectivistic culture fosters the collective influence of the family on the family business ownership succession (Agbim, 2019; Fan et al., 2022; Hechavarría & Brieger, 2022; Torres et al., 2023). Stewardship theory corroborates this result by emphasising collective needs solved through common interest, participation, collective service, achievement, growth and actualisation (i.e., collectivistic culture). Thus, a collectivistic culture supports saddling the family responsible for selecting and transferring ownership rights to successors who will conserve this right within the family (El Fasiki, 2013; Fatehi et al., 2020). It can be generally deduced from this study that both individualistic and collectivistic cultures do not significantly facilitate management succession. Rather, these cultures contribute to ownership succession from founder/CEO or descendant/CEO to potential ownership successors of family-owned and managed supermarkets in South Eastern Nigeria. This is the contribution of this study to knowledge.

CONCLUSIONS, RECOMMENDATIONS, LIMITATIONS AND SUGGESTIONS FOR FURTHER STUDIES

Geographically, family cultures are unequally distributed as much as their implications on management succession and ownership success vary. The results of our study suggest that these differences can be explained by individualistic culture and collectivistic culture. As such, how family-owned and managed supermarkets in South Eastern Nigeria are run and how their management succession and ownership succession are planned and implemented can be influenced by shaping and/or reshaping the potential successors' preferences and behaviours. However, our results did not show the cultural dimension(s) that can significantly enhance management succession. Rather, the study empirically established that individualistic and collectivistic cultures can significantly contribute to successful ownership succession.

Further, families should put in place other cultural values that can foster supportive relationships between incumbent owners and managers and potential managers of family businesses that practice either individualistic culture or collectivistic culture, as this may foster successful management succession. Certain limitations must be taken into account when appreciating our results. Firstly, the narrow geographical scope; the study focused only on supermarkets in South Eastern Nigeria. Secondly, the study investigated only two cultural dimensions. Finally, the study did not investigate the roles of moderating and/or mediating variables even when the results of the few existing related studies are inconsistent.

Consequently, there are researchable opportunities for further studies on family culture and succession in family businesses. The first relates to broadening our understanding of the cultural dimensions that contribute to management succession in a wider geographic scope. Insight on this in extant literature is scant, and empirical tests are somewhat non-existent. The cultural dimensions can be investigated using surveys, interviews, and/or experimental methods. The second could be to study the effects of multiple cultural dimensions (e.g., paternalistic, laissez-faire, participatory, and professional) on management succession. Third, future scholars can investigate the roles of multiple cultural dimensions on ownership succession. Finally, since the results of the few studies that have correlated family culture and succession are discordant, future researchers can employ such factors as family harmony, entrepreneurial intention, entrepreneurial perception, the big five personality traits, and dark personality traits as moderating and/or mediating variables.

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Appendix 1

Validity and reliability measures

Table 1: Measurement Scale (Model Validity Measures)

| Variables Items | Indicators | Loadings | CR | Cronbach Alpha (α) | AVE | DV | MSV |
|-----------------|------------|----------|-------|-----------------------------|-------|-------|-------|
| IC | IC1 | 0.91 | | | | | |
| | IC2 | 0.91 | | | | | |
| | IC3 | 0.93 | | | | | |
| | IC4 | 0.90 | | | | | |
| | IC5 | 0.91 | 0.960 | 0.960 | 0.829 | 0.910 | 0.104 |
| CC | CC1 | 0.89 | | | | | |
| | CC2 | 0.87 | | | | | |
| | CC3 | 0.92 | | | | | |
| | CC4 | 0.92 | | | | | |
| | CC5 | 0.90 | 0.956 | 0.950 | 0.814 | 0.902 | 0.185 |
| MS | MS1 | 0.92 | | | | | |
| | MS2 | 0.91 | | | | | |
| | MS3 | 0.93 | | | | | |
| | MS4 | 0.94 | | | | | |
| | MS5 | 0.90 | 0.965 | 0.965 | 0.846 | 0.919 | 0.077 |
| OS | OS1 | 0.88 | | | | | |
| | OS2 | 0.91 | | | | | |
| | OS3 | 0.89 | | | | | |
| | OS4 | 0.91 | | | | | |
| | OS5 | 0.87 | 0.950 | 0.956 | 0.793 | 0.891 | 0.185 |

CR = Composite Reliability, AVE = Average Variance Extracted, DV = Discriminant Validity, MSV = Maximum Shared Variance

Appendix 2

Table 2: Mean, Standard Deviation, and Bivariate Correlations among Variables

| Variables | Mean | SD | 1 | 2 | 3 | 4 |
|-----------|-------|------|--------|-------|--------|---|
| IC | 16.15 | 6.22 | 1 | | | |
| CC | 15.28 | 6.05 | 0.03 | 1 | | |
| MS | 14.94 | 6.39 | -.26** | -.03 | 1 | |
| OS | 16.44 | 6.14 | .31** | .41** | -.23** | 1 |

** . Correlation is significant at the 0.01 level (2-tailed)

Appendix 3

Table 3: Hypotheses Results

| Path Relationship | (β) | SE | T | <i>p</i> -Value | LLCI | ULCI | Decision |
|-------------------|-------------|-------|--------|-----------------|--------|--------|----------|
| IC → MS | -0.265 | 0.057 | -4.462 | 0.000 | -0.388 | -0.160 | Accept |
| IC → OS | 0.305 | 0.055 | 5.413 | 0.000 | 0.195 | 0.414 | Accept |
| CC → MS | -0.021 | 0.060 | -0.335 | 0.738 | -0.141 | 0.093 | Reject |
| CC → OS | 0.419 | 0.058 | 7.533 | 0.000 | 0.304 | 0.529 | Accept |

Source: SPSS Output (2024)