



Palestine Polytechnic University  
College of Graduate Studies.  
Deanship of studies and scientific Research Master of Administrative Science (MAS)/  
Management Science

# **The Factors Influencing Succession in Family Businesses: The Case of Hebron**

**Prepared By:**

Nedaa Mustafa al Al-Awawdeh

**Supervisor:**

Dr. Wasim Idris Sultan

**The thesis was submitted in partial fulfillment of the requirements for the Master of  
Administrative Science (MAS)/ Management Science degree.**

Hebron, 2026

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# Thesis Approval

The undersigned hereby certify that they have read, examined, and recommend to the Deanship of Graduate Studies and Scientific Research at Palestine Polytechnic University the approval of a thesis entitled “**The Factor Influencing Succession in Family Business: The Case of Hebron**” submitted by Nedaa Mustafa Alawadeh in partial fulfillment of the requirements for the degree of master’s in administrative sciences. The thesis was successfully defended on 8-2-2026.

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# Declaration

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## المخلص:

تتناول هذه الدراسة عوامل نجاح التعاقب في الشركات العائلية الفلسطينية، مع التركيز على مدينة الخليل كدراسة حالة. اعتمدت الدراسة إطارًا نظريًا تكامليًا يجمع بين نظرية الحوكمة المؤسسية، نظرية الثروة الاجتماعية-العاطفية (SEW)، وإطار GLOBE الثقافي، لتقديم منظور متعدد الأبعاد حول التعاقب. تم تحليل أربعة متغيرات مستقلة هي: الانفتاح، المحافظة، التخطيط للتعاقب، والحوكمة، وعلاقتها بالمتغير التابع وهو نجاح التعاقب، مع إدراج عوامل وسيطة مثل حجم الشركة، معدل النمو، المرحلة الجيلية، وجنس القائد.

استخدمت الدراسة منهجًا كميًا قائمًا على استبيان ميداني وزّع على شركات عائلية في مدينة الخليل. أظهرت التحليلات الإحصائية أن الانفتاح، التخطيط للتعاقب، والحوكمة تؤثر إيجابيًا في نجاح التعاقب، بينما المحافظة تمثل عاملاً مقيّدًا. كما تبين أن الخصائص الديموغرافية للشركات تؤثر بشكل ملحوظ في نتائج التعاقب.

تسهم الدراسة في إثراء الأدبيات العلمية من خلال وضع التعاقب في سياق الشركات العائلية الفلسطينية، وإبراز التفاعل بين الأعراف الثقافية، هياكل الحوكمة، والثروة الاجتماعية-العاطفية. وتؤكد على أهمية الحوكمة الشفافة، التخطيط الشامل للتعاقب، والانفتاح على الابتكار كعوامل رئيسية للاستمرارية. كما تقدم توصيات عملية للشركات وصانعي السياسات، منها إنشاء أطر حوكمة رسمية، إعداد الخلفاء عبر التدريب والإرشاد، وتعزيز شمولية النوع الاجتماعي في انتقال القيادة.

ويعزز الأبعاد الثقافية والسلوكية والهيكليّة، تعزز هذه الدراسة الفهم النظري وتقدم رؤى عملية لدعم استمرارية الأجيال في الشركات العائلية الفلسطينية، مع الدعوة لمزيد من الأبحاث حول دور المرأة وتأثير التحولات الاجتماعية والسياسية على

استدامة هذه المؤسسات

## **Abstract:**

This study investigates factors that may affect successful succession in family businesses, using Hebron as a case study. It combines Corporate Governance Theory, Socioemotional Wealth (SEW) Theory, and the GLOBE Cultural Framework to offer a multidimensional view of succession. Four independent variables—openness, conservativeness, succession planning, and governance—were examined concerning the dependent variable, succession success, with moderating factors such as firm size, growth rate, generational stage, and leader gender.

A quantitative approach was used through a structured questionnaire distributed to family businesses in Hebron. Statistical analysis showed that openness, succession planning, and governance positively impact succession success, while conservativeness acts as a barrier. Firm demographic traits also significantly affected succession outcomes.

The study enhances the existing literature by providing a clearer understanding of succession in Palestinian family businesses and illustrating how cultural norms, governance structures, and socioemotional wealth interact. It emphasizes the importance of transparent governance systems, inclusive succession planning, and openness to innovation as key factors for sustainability. Practical recommendations are offered for family firms and policymakers, including establishing formal governance frameworks, mentoring and training successors, and encouraging gender inclusivity in leadership transitions.

By integrating cultural, behavioral, and structural aspects, this research enhances theoretical understanding and offers practical insights for maintaining generational continuity in Palestinian family businesses. It also encourages future research to examine the role of women in succession and the influence of socio-political changes on family business sustainability.

Keywords:

Family business; Succession planning; Governance; Openness; Conservativeness; Palestine;

# Dedication

To my beloved children Ahmed, Adam, Leya, and Lissa, whose love and laughter inspire me to persevere and give meaning to every achievement. You are the light of my life and the reason behind my determination.

To my husband, my steadfast companion through every difficult step of this journey. Your unwavering support, patience, and encouragement carried me through the challenges and made reaching this stage possible.

To my family, who instilled in me the values of resilience, integrity, and hard work, and to my siblings, whose faith in me has always been a pillar of strength.

To my mentors and teachers, whose wisdom and guidance shaped my academic path, and to my friends and colleagues, whose understanding and encouragement sustained me along the way.

This work is dedicated to all of you, with deep gratitude and love

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# Table of Contents

The factors influencing succession in family business: the case of Hebron .....	1
Abstract: .....	7
الملخص: .....	6
Chapter one .....	14
Introduction .....	14
1.1 Background of the Study .....	14
1.2 Research Questions .....	15
1.3 Problem statement .....	15
1.4 Study Variables .....	17
1.5 Research Objectives .....	17
1.6 Research Alternative Hypotheses.....	17
1.7 Significance of the Study .....	18
1.8 Scope and Limitations .....	18
1.9 Definition of Key Terms .....	19
1.10 Organization of the Study .....	19
Chapter 2 .....	21
Literature Review and Theoretical Framework .....	21
2.1 Introduction .....	21
2.2 Theoretical Framework .....	21
2.3 Definition of Family Business.....	24
2.4 Factors that influence family business succession .....	27

2.4.1 Family Openness .....	27
2.4.2. Conservativeness .....	28
2.4.3 Governance.....	29
2.4.4 Succession Planning .....	30
2.5 Controlling Variables .....	32
2.5.1 Nature of the Sector.....	32
2.5.2 Gender in Succession Planning .....	34
2.5.3 Family Size and Generations.....	36
2.5.4 Firm Size and Growth Rate .....	37
2.6 Dependent Variable: Successful Succession.....	39
2.7 The Role of External Factors .....	40
2.8 The GLOBE Study and Family Businesses .....	41
2.9 Theoretical and Methodological Justification .....	43
2.10 The Conceptual Framework: .....	44
2.11 Owner and Successor's Roles .....	47
2.12 Previous Studies .....	49
2.13 Conclusion.....	52
Chapter 3 .....	55
Methodology .....	55
3.1 Introduction .....	55
3.2 Research Approach .....	56
3.3 Population and Sample.....	57

3.3.1 Study Population .....	57
3.3.2 Study Sample.....	57
3.4. Questionnaire Design .....	58
3.5 Measurement of Variables .....	60
3.6 Data Collection and Procedures .....	61
3.7 Methodological Justification .....	62
3.8 Data Analysis Techniques .....	63
3.9 Ethical Considerations.....	63
3.10 Methodological Limitations .....	64
3.11 Instrument Validity .....	65
3.12 Instrument Reliability.....	67
3.13 Factor Analysis.....	68
3.14 Study Implementation Steps.....	78
3.15 Study Variables .....	78
3.16 Scale Adjustment.....	79
Chapter 4 .....	80
Results .....	80
4.1 Introduction: .....	80
4.2 Testing the Study Hypotheses .....	82
4.3 Results: .....	96
Chapter Five .....	100
Conclusions and Recommendations.....	100

5.1 Introduction .....	100
5.2 Discussion of the Findings .....	100
5.2.1 Overall level of factors influencing succession.....	100
5.2.2 Discussion of hypotheses .....	101
5.3 Conclusions .....	106
5.3 Recommendations .....	109
5.4 Suggestions for Future Research.....	112
Reference.....	114
Appendix .....	114

# Chapter one

## Introduction

### 1.1 Background

Family businesses represent a cornerstone of global economies, particularly in developing contexts where they constitute the majority of enterprises and play a vital role in employment generation, wealth creation, and community development. In Palestine, family firms dominate the private sector, especially in cities such as Hebron, where business traditions are deeply rooted in cultural and family ties. Despite their significance, family businesses, according to research, struggle to ensure sustainability across generations, which makes succession one of the most complex and uncertain challenges.

Recent studies highlight that the key determinants of successful succession include family cohesion, trust in the successor, the successor's qualifications and capabilities, and the firm's financial and operational performance (Habash & Baidoun, 2024). Other research shows that corporate governance practices—such as transparency, clear decision-making structures, and formal authority distribution—remain weak in many Palestinian family firms, hindering effective succession planning (Jaradat, 2024). In addition, the absence of formal succession planning, limited preparation of potential successors, and reliance on personal relationships between family members have been identified as significant barriers to leadership transition (Salameh, 2017).

Building on these findings, this study examines the determinants of successful succession in Palestinian family businesses, focusing on Hebron as a case study. By integrating openness, conservativeness, succession planning, and governance as independent variables, with

successful succession as the dependent variable, and including firm size, growth rate, generational stage, and leader gender as moderating variables, this research contributes to a comprehensive understanding of generational continuity in family enterprises within the Palestinian context.

Nevertheless, the continuity of these enterprises remains threatened by the complexity of succession processes, limited governance systems, and resistance to change. These challenges underscore the importance of empirically investigating the determinants of successful succession to ensure the sustainability and competitiveness of Palestinian family businesses

This sets the foundation for the present study, which seeks to empirically examine these determinants in Hebron's family firms and tries to answer the following research questions.

## **1.2 Research Questions**

1. To what extent does openness influence succession in family firms in Hebron?
2. To what extent does conservativeness affect succession in family firms in Hebron?
3. How does succession planning contribute to achieving succession in a family firm in Hebron?
4. How do governance structures enhance the effectiveness of succession in a family firm in Hebron?
5. Does the success of succession vary significantly across firm demographics, including size, growth rate, generational stage, and leader gender in a family firm in Hebron?

## **1.3 Problem statement**

Family businesses are the backbone of Hebron's economy. According to researchers, they may struggle to sustain leadership continuity across generations. Challenges such as limited openness among family members, conservative attitudes, weak governance systems, and the

absence of structured succession planning often lead to failed or delayed transitions. While global literature highlights these issues, there remains a clear gap in the Palestinian context, where cultural norms and social structures strongly shape family business practices.

Although family firms dominate the private sector and contribute significantly to employment and wealth creation, many fail to survive beyond the first generation. International evidence shows that less than one-third of family businesses successfully pass to the second generation, and fewer than 15% reach the third (Sharma, 2004; Cruz & Nordqvist, 2012). In Hebron, anecdotal evidence suggests that succession struggles are intensified by cultural conservatism, gender norms, and weak governance mechanisms.

Additionally, resistance to change among senior leaders, insufficient succession planning, and mismatches between successors' skills and the firm's growth dynamics further complicate the transition process (Sageder et al., 2018; Hsueh et al., 2023). These challenges highlight the urgent need to empirically examine how factors such as openness, conservativeness, succession planning, and governance impact succession success, while accounting for firm-specific elements like size, growth rate, generational stage, and leader gender.

Therefore, this study uses a quantitative method with a structured questionnaire to explore these factors in Palestinian family businesses, aiming to confirm theoretical assumptions within Hebron's unique socio-cultural and economic environment.

Despite extensive global research, empirical evidence from Palestinian family firms—particularly in Hebron—remains scarce regarding how openness, conservativeness, succession planning, and governance collectively influence succession success within a collectivist cultural context. This study addresses this gap by testing a theory-driven model using local data.

## **1.4 Study Variables**

This study focuses on four main independent variables: openness, conservativeness, succession planning, and governance, in addition to one dependent variable, successful succession.

The determinants of succession are rooted in social capital theory and stewardship theory, which highlight trust, communication, intergenerational commitment, and shared family values—crucial elements that support continuity in family businesses. Therefore, the chosen variables represent both behavioral and structural factors that explain why some family firms succeed in maintaining leadership across generations.

## **1.5 Research Objectives**

Objectives General Objective: To empirically examine the determinants of successful succession in Palestinian family businesses, with a focus on Hebron. Specific Objectives:

1. To empirically test the influence of openness on successful succession in family businesses.
2. To assess the impact of conservativeness on leadership transition processes.
3. To evaluate the effectiveness of succession planning in achieving sustainable generational continuity.
4. To investigate the contribution of governance mechanisms to succession outcomes.
5. To analyze whether succession success significantly varies across firm demographic characteristics, including size, growth rate, generational stage, and leader gender.

## **1.6 Research Alternative Hypotheses**

H1: Openness of family members positively influences succession in family businesses.

H2: Conservativeness negatively affects succession in family businesses.

H3: Succession planning positively influences succession in family businesses.

H4: Governance mechanisms positively influence successful succession in family businesses.

H5: Succession success differs significantly across firm demographic characteristics, including firm size, growth rate, generational stage, and leader gender.

## **1.7 Significance of the Study**

**Theoretical Significance:** This study enriches succession theory by integrating cultural and governance perspectives with socioemotional wealth, thereby advancing the understanding of how family values and organizational structures interact to influence generational continuity.

**Practical Significance:** The findings provide actionable insights for family businesses in Hebron and Palestine, offering recommendations for policymakers, business leaders, and governance bodies to design inclusive and sustainable succession frameworks. By addressing gender inclusivity, the study also contributes to broader efforts aimed at empowering women and promoting equity in leadership transitions.

## **1.8 Scope and Limitations**

The study focuses on family businesses operating in Hebron, Palestine. It investigates determinants of succession, including openness, conservativeness, succession planning, and governance. Moderating and mediating variables include firm size, growth rate, generational stage, and gender. The research is limited by reliance on survey and interview data, which may be subject to response bias. Furthermore, findings may not be fully generalizable beyond small and medium-sized Palestinian family enterprises. Methodologically, the study is limited by the sampling technique, which is based on accessible family businesses in Hebron. In addition, companies unwilling to disclose information on succession were excluded, which may affect the generalizability of the findings.

## **1.9 Definition of Key Terms**

Family business: refers to an enterprise in which ownership and control are concentrated within a family, and where family members significantly influence strategic decisions and the long-term direction of the firm (Baltazar et al., 2025)

Openness: The degree to which family members are receptive to new ideas, innovation, and leadership change (Bueno et al., 2020).

Conservativeness: The adherence to traditional family practices and resistance to leadership transition or innovation (Evans & Britt, 2023)

Succession Planning: The formal preparation and strategies implemented to ensure smooth leadership transition, including mentoring, role allocation, and training (Porfírio et al., 2020).

Governance: Internal rules, structures, and mechanisms that guide decision-making, separate ownership from management, and ensure transparency (Labaki & D'Allura, 2021)

Successful Succession: The smooth transfer of leadership across generations that sustains family harmony and business performance (Aladejebi, 2021)

## **1.10 Organization of the Study**

This thesis is structured as follows:

- Chapter One: Introduces the study, outlining the background, problem statement, objectives, research questions, hypotheses, significance, scope, and definitions.
- Chapter Two: Reviews existing literature and theoretical frameworks, presenting empirical evidence on succession determinants, mediators, and moderators.
- Chapter Three: Explains the research methodology, including design, sampling, data collection, and analysis methods.
- Chapter Four: presents the statistical analysis of the collected data to test the study

hypotheses, including comparative statistical tests to examine whether succession success significantly differs according to firm demographic characteristics.

- Chapter Five: Discusses the results in light of existing literature, provides conclusions, and offers recommendations for practice and further research.

# Chapter 2

## Literature Review and Theoretical Framework

### 2.1 Introduction

Family businesses constitute a dominant form of enterprise worldwide, and they are particularly important in developing economies, where they account for the majority of firms and play a central role in employment, wealth creation, and community stability. In Palestine, and especially in Hebron, family firms represent the backbone of the private sector, which is deeply embedded within the socio-cultural fabric of society (Habash & Baidoun, 2024). However, the sustainability of family firms across generations is often uncertain, as succession remains one of the most complex challenges in family business research (Miller et al., 2003).

This chapter builds on the problem statement and hypotheses presented in Chapter One by examining the key theoretical foundations, factors influencing succession success, and demographic moderators relevant to Palestinian family businesses. It also identifies gaps in the existing literature and establishes the conceptual framework guiding this study.

### 2.2 Theoretical Framework

Family businesses represent a cornerstone of developed economies, playing a crucial role in sustaining economic stability, generating employment, and preserving social cohesion. These firms are typically owned and managed by family members, with ownership and leadership responsibilities transferred across generations (Bennedsen et al., 2007). Their unique structure, rooted in kinship bonds and a long-term orientation, fosters trust, loyalty, and a collective commitment to continuity. This intergenerational mindset motivates families to make strategic investments and maintain business operations across decades, contributing to resilience during

economic and political instability (Carter & Marlow, 2007; Chirico & Nordqvist, 2010). In the Palestinian context—particularly in Hebron—family firms constitute a dominant segment of the private sector, sustaining traditional industries and providing employment opportunities despite regional challenges (Habash & Baidoun, 2024). However, these businesses face persistent challenges, including succession planning, governance, and modernization (Cruz & Nordqvist, 2012; Eddleston & Powell, 2008).

To understand these dynamics, this study adopts an integrative theoretical framework that combines Corporate Governance Theory, Socioemotional Wealth (SEW) Theory, and the GLOBE Cultural Framework. Collectively, these theories provide a comprehensive analytical lens through which the determinants of succession success in Palestinian family firms can be examined and explained.

**Corporate Governance Theory** concerns the formal structures, rules, and processes by which organizations are directed and controlled. It emphasizes mechanisms that align the interests of owners, managers, and other stakeholders through clear allocation of authority, accountability procedures, and transparent decision-making. Common governance mechanisms include boards or councils, written charters or constitutions, role descriptions, and formal selection and evaluation procedures. In family firms, governance mechanisms play a dual role: they provide institutionalized procedures that reduce ambiguity over authority and create predictable channels for resolving disputes during leadership transitions. In contexts where personal relationships and informal practices dominate, formal governance can mitigate the risks associated with ad hoc succession decisions. Accordingly, this study operationalizes Governance as the presence and quality of formal structures (e.g., family council, written role descriptions, documented selection criteria) and hypothesizes that stronger governance is positively associated with successful succession (Jaradat, 2024; OECD, 2015).

**Socioemotional Wealth (SEW)** refers to the non-financial, affective value that family owners derive from their firm. SEW encompasses dimensions such as family identity, reputation, emotional attachment, dynastic succession, and the desire to preserve family control across generations. Decisions in family firms are often shaped by the imperative to protect SEW, even when such choices conflict with short-term economic optimization. SEW provides a behavioral and motivational explanation for why family firms may behave conservatively or resist externally oriented changes during succession. A high SEW orientation can lead to preferences for preserving family legacy and continuity, which may manifest as Conservativeness (preference for tradition, lineage-based selection) and lower Openness to external ideas or merit-based appointments. Thus, SEW justifies including both Conservativeness and Openness as core independent variables: conservativeness captures the SEW-driven tendency to protect legacy, while openness captures the countervailing willingness to accept change that can facilitate meritocratic succession (Gómez-Mejía et al., 2011).

**The GLOBE (Global Leadership and Organizational Behavior Effectiveness) framework** is a cross-cultural research program that identifies and measures cultural dimensions—such as power distance, collectivism, gender egalitarianism, and uncertainty avoidance—and examines how these dimensions shape leadership expectations and organizational behavior across societies. GLOBE provides the cultural lens needed to interpret how national and local cultural norms influence succession processes. In collectivist and patriarchal contexts, cultural expectations about family hierarchy and gender roles can strongly shape who is considered an acceptable successor and how formal governance mechanisms are received. Therefore, this study treats Leader Gender and Generational Stage as cultural moderators that may amplify or attenuate the effects of Openness, Conservativeness, Governance, and Succession Planning on succession success (House et al., 2004).

**Integration of Theories** No single theoretical perspective fully captures the complexity of family business succession. This study therefore adopts an integrative framework that combines Corporate Governance Theory (structural mechanisms and transparency), Socioemotional Wealth (SEW) (family emotional priorities and legacy motives), and the GLOBE cultural framework (national and local cultural norms and gender expectations). Corporate Governance explains the institutional levers that reduce ambiguity and conflict during transitions; SEW explains the emotional and identity-based motives that can produce either conservative resistance or protective stewardship; and GLOBE situates these processes within the cultural context that shapes acceptable leadership profiles and family behavior. Together these perspectives justify the selection of the four independent variables — Openness, Conservativeness, Succession Planning, and Governance — and the inclusion of Firm Size, Growth Rate, Generational Stage, and Leader Gender as moderators. This integrated theoretical foundation guides the hypotheses and the empirical tests presented in Chapter Four.

### **2.3 Definition of Family Business**

A family business is theoretically defined as a firm in which ownership and strategic control are predominantly held by members of a single family, and where family members significantly influence managerial decisions, long-term goals, and the continuity of the enterprise across generations. In this context, the interaction between family, ownership, and management creates a unique organizational structure that differentiates family firms from non-family firms. The intention of Tran's generational succession and preservation of family influence over time represents a core characteristic of family businesses in contemporary research (Schweiger et al., 2024).

Recent studies emphasize that family firms combine economic objectives with non-economic goals such as family legacy, identity, and socio-emotional wealth, which shape strategic behavior and governance practices. Therefore, the family business is viewed as a hybrid system

integrating family relationships with formal business management structures (Schweiger et al., 2024).

And operational Family business: refers to a company in which a single family owns a substantial share of the business (often 50% or more), participates directly in managerial or strategic decision-making, and intends to transfer leadership or ownership to the next generation. So, represent firms that meet these conditions, allowing the research to examine governance structures, succession planning practices, and leadership transition within family-controlled organizations (Alshibani & Alshebami, 2025).

Globally, family businesses make up a large part of the economy, accounting for nearly 80% of all firms and playing a key role in employment and growth (Nelson & Constantinidis, 2017). They can take various forms, including privately owned companies, publicly traded firms with strong family ownership, or small family-run businesses. Both ownership and control are often held by family members, shaping the core identity of the enterprise and setting it apart from non-family companies (Overbeke et al., 2013).

Scholars often define family businesses using two approaches: **family involvement** and **intention to pass ownership**. The family involvement approach emphasizes control over ownership, governance, and decision-making, often with family members serving as CEOs or board members. The intention-to-pass-ownership approach focuses on the firm's objective of transferring leadership and ownership to future generations (Sharma, 2004).

Family businesses are deeply rooted in family history and culture, fostering loyalty and dedication among members. They often aim not only to generate profit but also to establish a heritage for future generations. This orientation creates a strong corporate culture that enhances trust among employees, partners, and clients (Miller et al., 2003). However, family firms also face challenges, including conflicts over management, succession, and profit distribution.

These conflicts are often intensified by generational gaps in leadership styles, risk perceptions, and strategic priorities (Overbeke et al., 2013).

Succession is a particularly critical dimension of family businesses. Studies show that only about 30% of family firms successfully transition to the second generation, and fewer than 15% to the third (Nelson & Constantinidis, 2017). Succession involves not only transferring ownership and leadership but also managing emotional and relational complexities unique to family firms (Sageder et al., 2018). In the Middle East and Palestinian, succession challenges are further shaped by cultural, social, and political factors (Olson et al., 2003). Inadequate planning, unprepared successors, and family conflict are major contributors to high failure rates (Sharma, 2004).

Despite these challenges, family firms possess unique strengths. Their long-term orientation enables them to prioritize sustainability over short-term profits (Deephouse & Jaskiewicz, 2013). Strong family ties with customers foster loyalty and stability (Craig et al., 2008). Financial prudence, such as low borrowing and high cash reserves, allows them to withstand economic downturns more effectively than non-family firms (Hsueh et al., 2023; Van Gils et al., 2019).

In summary, family businesses are characterized by the duality of family and business, which provides both advantages and challenges. Their distinctive values, relationships, and vision shape management and strategy, making succession a central issue for their continuity and success (De Massis & Foss, 2018).

## **2.4 Factors that influence family business succession**

### **2.4.1 Family Openness**

Openness refers to a family firm's willingness to accept new ideas, adapt to change, and embrace external perspectives. Prior research suggests that openness facilitates innovation and adaptability during leadership transitions (Flynn & Chatman, 2001; Liu, 2018). In Palestine, openness has been associated with entrepreneurial resilience under political and market instability (Baidoun & Lussier, 2018).

Family openness enables owning families to address succession matters with transparency and effective communication rather than concealing information. This approach facilitates conflict resolution and reduces the risks of destructive disputes during leadership transition. According to Flynn et al. (2020), openness helps eliminate future succession ambiguities and prevents complications in power transfer. A healthy dialogic environment for succession discussions relies heavily on openness, as it allows families to address essential topics such as identifying potential successors and determining criteria for leadership selection.

Conversely, a lack of openness can delay vital decisions and intensify tensions during crises (Liu, 2018). In the cultural context of Hebron, the researcher notes that succession is often regarded as a socially sensitive subject, especially when addressing an established leader. This traditional atmosphere tends to hinder transparency in establishing leadership succession procedures.

Moreover, openness is embedded within broader cultural values, as culture shapes hierarchy, authority, gender roles, and the balance between individual and collective interests, all of which influence succession outcomes (Jamil et al., 2024; Oshinowo, 2017).

In summary, openness enhances transparent communication and adaptability. However, its empirical impact on the success of succession in Palestinian family firms remains underexplored, highlighting a critical research gap.

H1: Openness positively influences succession success in family businesses.

### **2.4.2. Conservativeness**

Conservativeness signifies adherence to traditions, the continuity of values, and risk-averse behavior. International studies emphasize its dual role: it can maintain stability but also hinder innovation (Hiebl, 2015). Palestinian studies show that excessive focus on conservatism might prevent younger generations from taking on leadership roles (Habash & Baidoun, 2024).

High levels of conservatism create significant barriers to organizational transformation and limit the sustainability of family businesses across generations, particularly in societies where family and cultural norms dominate. This often manifests in restricting the choice of successors to direct blood relatives regardless of their qualifications. Moreover, family businesses may resist adopting modern management practices and innovative approaches, relying instead on conventional mindsets that prioritize familial ties over professional abilities. Such tendencies hinder business expansion and reduce competitiveness. According to researcher In the cultural context of Hebron, these challenges are particularly pronounced, as loyalty to family connections frequently outweighs merit-based leadership, making it difficult for businesses to adapt to evolving market conditions.

In summary, conservativeness safeguards family legacy and stability, yet excessive reliance on traditions may hinder innovation and generational continuity. The contradiction in literature—between conservatism as a safeguard versus a barrier—remains unresolved. This highlights the need to empirically examine conservativeness in the Palestinian context.

H2: Conservativeness significantly influences the success of succession in family businesses.

### **2.4.3 Governance**

Governance refers to the mechanisms and structures that regulate family and business interactions. The Studies emphasize that family councils, independent boards, and transparent decision-making reduce conflict and enhance succession outcomes (Suess-Reyes, 2017). Research in Hebron-based family businesses also highlights weak governance as a persistent barrier to generational continuity (PCBS, 2014; Basiouni & Baidoun, 2019).

Governance in family businesses encompasses both formal structures and informal processes that regulate family-business relationships, ensuring an optimal balance between the interests of the business and the desires of the family (Fukuyama, 2016). Beyond organizational control, governance contributes to the long-term preservation of family unity and continuity across generations. Strong governance provides a foundation for systematic successor development programs, including job rotation, mentoring, and leadership training, all of which prepare successors systematically (Suess-Reyes, 2017; Siebels et al., 2012).

Governance mechanisms also play a critical role in ensuring structured succession. Steier et al. (2015) argue that establishing formal criteria for leadership selection reduces arbitrary decisions and minimizes the influence of personal relationships. Typical criteria include academic qualifications, years of professional experience, and performance evaluations. Many successful family businesses even require successors to gain external work experience before assuming leadership roles, ensuring broader managerial insight.

Conflict, however, remains one of the most significant threats to family firm continuity. Parada et al. (2020) emphasize that family conflict is a major risk factor for business failure. To mitigate such risks, families often implement governance structures such as family councils—decision-making groups that resolve strategic issues before escalation—and family constitutions, which formalize rules on hiring and promotion, profit distribution, board membership requirements, and succession procedures. These mechanisms transform decision-

making from emotional and ad hoc to transparent and institutionalized processes, and research confirms that firms with such systems experience fewer conflicts and higher long-term stability (Siebels et al., 2012).

Effective governance also integrates family cultural values with modern business standards, creating a hybrid organizational culture that strengthens competitiveness and ensures business continuity across generations (Piana et al., 2018). However, implementing governance in traditional family businesses, such as those in Hebron, can be challenging. Obstacles include reliance on inherited practices over formal regulations, resistance to family councils that may challenge patriarchal norms, and a lack of legal and administrative expertise necessary for developing effective governance systems (Steier et al., 2015). Experts suggest gradual governance implementation that respects traditional family norms, including consulting specialists, conducting workshops, and progressively introducing governance tools to ensure acceptance and integration (Parada et al., 2020).

In summary, governance provides structure and transparency, yet its implementation in Palestinian family firms faces cultural and institutional challenges.

H3: Governance positively influences succession success in family businesses

#### **2.4.4 Succession Planning**

Succession planning is the formal process of preparing and structuring leadership transition. Effective planning includes identifying successors, training them, and establishing clear procedures (Chen et al., 2014; Eddleston & Powell, 2008). In Palestine, many family firms lack written succession plans, making transitions highly dependent on personal negotiations and family consensus (Basha & Basiouni, 2022).

Succession planning carries particular importance for family businesses, as it involves not only the selection of successors but also the preservation of the family's legacy and values. The

scope of succession planning extends beyond merely choosing the next leader; it encompasses identifying individuals capable of upholding long-standing objectives, relationships, and cultural traditions (Cruz & Nordqvist, 2012).

The family businesses play a vital role in employment and economic development. However, cultural and social factors—particularly patriarchal norms—create unique challenges. Historically, succession favored male heirs (Haberman & Danes, 2007), though recent shifts emphasize inclusivity and the need to consider all family members regardless of gender (Eddleston & Powell, 2008). This study highlights gender aspects and barriers women face in succession, noting that inclusive planning broadens the pool of potential leaders and strengthens sustainability (Martinez Jimenez, 2009; Deephouse & Jaskiewicz, 2013; Wang, 2010).

Effective succession planning can be structured into four main components:

**Identification of Successors:** Selection should go beyond blood relations.

Criteria include leadership traits, management experience, and loyalty to the family business, and alignment with family values (Overbeke et al., 2013; Deephouse & Jaskiewicz, 2013).

**Training and Preparation:** Successors must acquire education, practical experience, and mentoring from current leaders.

Job rotation and external work experience are often recommended to broaden managerial insight (Chen et al., 2014).

**Transition Period:** Responsibilities are gradually transferred from the current leader to the successor.

This period allows adaptation, conflict resolution, and ensures operational stability (Van Gils et al., 2019; Hsueh et al., 2023).

**Continuous Evaluation:** Succession planning is ongoing, requiring regular review to align leadership objectives with family expectations (Sageder et al., 2018).

Beyond these structural elements, succession planning must also address broader social considerations. Inclusive succession planning, which considers both male and female heirs, preserves family identity and brand, minimizes disruptions, and enhances business sustainability (Tolmie et al., 2020; Sharma, 2004; Maseda et al., 2023). Transparent planning also mitigates family conflicts, particularly when multiple siblings have equal rights to succeed (Hytti et al., 2017).

In essence, succession planning in family businesses is not merely about passing the baton to the next generation. It is a strategic and continuous process aimed at maintaining family relationships, ensuring operational stability, and safeguarding long-term sustainability (Oshinowo, 2017). By adopting inclusive practices, family-owned enterprises can strengthen cohesion, adapt to evolving contexts, and secure resilience across generations.

According to research the absence of structured planning in local Palestinian firms highlights a clear gap in practice and research. Testing this variable in Hebron provides new insights.

In summary, succession planning is a strategic and inclusive process that ensures continuity and sustainability in family businesses.

H4: Structured and inclusive succession planning positively influences succession success in family businesses.

## **2.5 Controlling Variables**

### **2.5.1 Nature of the Sector**

The nature of the economic sector in which a family business operates significantly impacts its leadership requirements and succession planning strategies. Unstable or rapidly evolving

sectors, such as biotechnology and artificial intelligence, require managers to continuously update their skills and adapt quickly to technological developments, making succession planning more complex and dynamic (Aladejebi, 2021). In contrast, traditional sectors, such as the stone and marble industry in Hebron, often prioritize the preservation of historical heritage and established business networks. While these traditional firms benefit from long-standing practices, they also create barriers to change, resulting in greater resistance when organizational adjustments are necessary (Schlömer-Laufen et al., 2022).

Technology-driven sectors are characterized by rapid innovation cycles and the necessity for agility to adapt to evolving market demands. Successors in such environments must combine technical expertise with flexibility, foresight, and an entrepreneurial mindset to innovate and respond to emerging trends (Hsueh et al., 2023; Hytti et al., 2017). In contrast, traditional sectors such as manufacturing and retail operate in more stable environments, where succession strategies emphasize operational continuity, adherence to established practices, and incremental improvements. Successors are expected to uphold the values and legacy of the founding generation while implementing gradual enhancements (Hytti et al., 2017).

Sector-specific dynamics also influence the timing of leadership transitions. In fast-paced industries, successors may assume leadership roles at a younger age, bringing fresh perspectives and technological competence. In traditional sectors, successors often receive extended mentorship from the outgoing generation to ensure continuity of practices and preservation of the family business legacy. Thus, sectoral characteristics shape not only succession strategies but also the timing and effectiveness of leadership transitions (Sageder et al., 2018).

Nevertheless, aligning succession strategies with sector-specific needs introduces challenges. A mismatch between a successor's skills and industry requirements may hinder performance. For instance, successors in technology-driven businesses may struggle without adequate technical expertise, while successors in traditional sectors may face resistance if they attempt

radical changes without appreciating established business culture. Another critical challenge involves balancing tradition with innovation. Founding generations often emphasize legacy preservation, while successors must embrace modernization to ensure competitiveness. Navigating this tension requires careful planning, open communication, and a strategic approach that integrates both continuity and adaptability.

In summary, the nature of the sector moderates succession outcomes by shaping leadership requirements, timing of transitions, and the balance between tradition and innovation.

### **02.5.2 Gender in Succession Planning**

Cultural norms often restrict women's succession opportunities, yet recent studies show increasing recognition of daughters' roles in Palestinian family firms (Nelson & Constantinidis, 2017; Baidoun, 2021).

Gender is a central issue in family business succession studies, as societal norms and historical exclusion often limit women's participation in leadership and strategic decision-making from an early age (Ferrari, 2023; Lyons et al., 2024). Research indicates that companies that empower women to hold leadership positions demonstrate improved innovative leadership styles and greater diversity in organizational decision-making. However, many firms continue to restrict top positions to men despite the availability of educated and experienced female candidates, thereby missing valuable human and intellectual capital that female leaders can bring (Magasi, 2021). Including women in succession planning frameworks not only promotes gender equality but also contributes to better business performance.

Gender-inclusive succession planning offers multiple advantages. First, it allows family businesses to benefit from diverse leadership styles and skill sets, enhancing overall decision-making and operational effectiveness (Hsueh et al., 2023; Chen et al., 2014). Evidence shows that teams composed of both men and women are more likely to make innovative and well-

informed decisions, as demonstrated in intergenerational family businesses in Taiwan, where female leadership contributed to broader perspectives and strategic problem-solving (Deephouse & Jaskiewicz, 2013).

Second, gender inclusivity provides greater flexibility in selecting successors. By considering all qualified family members rather than restricting leadership to one heir or one gender, businesses ensure that the most capable and visionary individuals assume key roles, strengthening the organization's future prospects (Hsueh et al., 2023). Third, inclusive succession planning helps maintain family harmony. Limiting leadership opportunities to male descendants can create conflict and resentment, whereas giving equal consideration to all members fosters unity and enhances management effectiveness within the family business (Overbeke et al., 2013).

Furthermore, gender-inclusive succession positively impacts the company's external reputation. Organizations that promote women to leadership positions are often perceived as progressive, which can enhance relationships with clients, customers, and business partners in contexts where gender equality is increasingly valued (De Massis & Foss, 2018).

In conclusion, addressing gender issues in succession planning is critical for family businesses to succeed and remain competitive. Despite ongoing societal barriers, awareness of the importance of gender-inclusive succession planning is growing. By integrating women into leadership development, family businesses can access a wider pool of talent, improve the quality of decision-making, strengthen family cohesion, enhance their corporate image, and increase resilience during turbulent market conditions. Prioritizing gender inclusivity in succession planning is not only ethically sound but also strategically advantageous, positioning family-owned enterprises for sustainable growth and long-term success (Hytti et al., 2017; Sageder et al., 2018; Hsueh et al., 2023).

Recent studies (Porfírio et al., 2020; Habash & Baidoun, 2024) emphasize that governance mechanisms and gender inclusivity are critical for sustainable succession in family firms.

### **2.5.3 Family Size and Generations**

Transition from founder to second generation is often the most critical stage, with higher risks of conflict (Porfírio et al., 2020). The complexity of succession in family businesses often increases with the size of the family and the number of active members involved in the business. Research indicates that as generations pass, family conflicts tend to intensify due to diverging interests and heightened competition among relatives (Yezza et al., 2021). In larger family businesses, such as those in Hebron, disputes frequently arise among cousins, and the absence of a formal family governance document—commonly referred to as a family charter—exacerbates these conflicts. A family charter outlines conditions for leadership transitions and operational procedures, helping to prevent disputes and clarify expectations for successors (Bell et al., 2021).

Generational succession represents one of the most challenging aspects of family business management because emotional bonds interact with business and social dynamics. Academic literature highlights several theoretical frameworks to explain succession determinants, with family openness being a key factor in facilitating smooth transitions. Next-generation readiness is essential; successors in the second and third generations must acquire the skills, knowledge, and commitment necessary to uphold both family and organizational standards (Söderström et al., 2023). Effective preparation involves providing successors with educational and professional opportunities, as well as involving them in strategic decision-making processes, while avoiding overly restrictive guardianship practices. In many family enterprises in Hebron, sons are often limited to operational roles without exposure to leadership responsibilities, resulting in insufficient preparedness when succession occurs.

Expanding the pool of potential successors, including women, is another critical consideration. Many family businesses have traditionally restricted succession to male members, but engaging women in leadership discussions ensures that the most capable individual, regardless of gender, is chosen. Gender-diverse leadership teams have been shown to enhance innovation, improve decision-making quality, and foster a more inclusive organizational culture (Sharma, 2004; Van Gils et al., 2019). Inclusive succession planning also strengthens family harmony by preventing resentment or disputes that can arise when opportunities are limited to specific family members (De Massis & Foss, 2018).

Moreover, inclusive succession planning contributes to business resilience and sustainability. Organizations that embrace broader participation are better able to adapt to changing economic conditions and identify opportunities for expansion and growth. In regions such as the West Bank, where gender equality remains an ongoing challenge, family businesses that actively support women in leadership roles can foster a cultural shift, enhancing both family cohesion and regional progress in gender equity (Deephouse & Jaskiewicz, 2013). Overall, considering family size, generational readiness, and inclusive practices is essential for ensuring smooth leadership transitions and long-term success in family-owned enterprises

#### **2.5.4 Firm Size and Growth Rate**

Larger firms often have more resources and formalized systems, which can support smoother succession compared to smaller firms (Yezza et al., 2021) and the Fast-growing firms may face more succession challenges due to rapid changes in structure and strategy (Habash & Baidoun, 2024).

The size and growth rate of a family business significantly influence succession planning and leadership development. Growth can be defined as the expansion of a business's operations in terms of revenue, profits, market share, and resources over a specific period. It reflects the entrepreneurial capacity of the firm, its responsiveness to market forces, and its ability to

implement change and manage resources effectively. Rapidly growing family businesses possess high potential for expansion but face complex challenges that require successors with strong decision-making abilities, strategic foresight, and the capability to navigate intricate organizational systems, competition, and financial uncertainties (Hsueh et al., 2023). Leaders in high-growth businesses must balance immediate operational demands with long-term sustainability objectives, ensuring that growth does not compromise continuity.

In contrast, slower-growing family businesses encounter different challenges. Limited expansion can make succession more difficult, as successors may struggle to adapt the business to changing market conditions or implement innovation strategies necessary for growth (Hsueh et al., 2023). These businesses often prioritize internal development and preserving family culture over external growth, which may slow organizational progress but reinforce family cohesion and legacy (Nelson & Constantinidis, 2017). The growth rate also sets expectations for successors: in rapidly expanding businesses, successors are expected to demonstrate quick decision-making, adaptability, and exposure to external education or cross-sector experience. In slower-growing firms, successors may focus on operational stability, incremental improvements, and maintaining long-standing family traditions (De Massis & Foss, 2018).

Firm size additionally affects succession practices. Larger family enterprises typically implement formal succession procedures that integrate executive mentoring, leadership training, and managerial supervision to prepare the next generation for complex roles (Bozer et al., 2017). Smaller firms, which are common in Hebron, often rely on informal succession processes based on family connections and social background rather than professional qualifications. In these contexts, weak or undefined growth strategies can result in insufficient leadership development and limited readiness among potential successors (Aderonke, 2014).

Overall, the growth rate and size of a family business shape its succession strategy, leadership expectations, and development practices. By aligning succession planning with the firm's

expansion dynamics and strategic objectives, family businesses can equip successors to address operational challenges, seize opportunities, and ensure the long-term sustainability of the enterprise across generations.

In summary, moderating variables such as sector, gender, family size, generational stage, and firm size and growth rate influence succession dynamics and outcomes.

H5: Succession success differs significantly across firm demographic characteristics, including sector, size, growth rate, generational stage, and gender.

## **2.6 Dependent Variable: Successful Succession**

Successful succession is defined as the continuity of family control and business performance across generations while maintaining family harmony (Miller et al., 2003; Porfírio et al., 2020). Locally, evidence from Palestinian family firms indicates that successful transitions depend not only on successor competence but also on the interplay between family trust, business governance, and external economic pressures (Habash & Baidoun, 2024).

Succession in family businesses should be understood as a structured process with a clear beginning and end, involving a series of sequential stages that ensure continuity and stability (Maseda et al., 2023). The first stage, identification, involves selecting potential successors from family members, often children or close relatives of the current owner. Selection criteria extend beyond blood relation to include relevant skills, interest in the business, and alignment with the family's values (Oshinowo, 2017).

Once successors are identified, the preparation stage focuses on equipping them with the necessary knowledge, experience, and competencies to assume leadership roles. This preparation can include formal education, professional training, mentoring by current leaders, and hands-on experience within the business. The goal is to ensure that successors understand

the nature of the business and develop the management skills required for effective leadership (Hsueh et al., 2023).

The transition stage marks the actual change of leadership and is often the most sensitive phase. Effective communication, a clearly defined timeframe, and the active involvement of both outgoing and incoming leaders are critical to minimize disruption and maintain continuity. This stage is particularly challenging when incumbent leaders struggle to relinquish authority (Miller et al., 2003).

Finally, the implementation stage occurs when the successor formally assumes leadership responsibilities. This phase involves putting proposed strategies into action, operationalizing leadership decisions, and fulfilling the family's expectations for the business's future. Successful implementation ensures that the transition strengthens the organization and positions it for sustainable growth across generations (Jimenez, 2009).

In summary, successful succession represents the dependent variable of this study, capturing continuity of family control, business performance, and family harmony across generations. It is influenced by openness, conservativeness, governance, succession planning, and moderated by firm demographic characteristics.

## **2.7 The Role of External Factors**

External factors, including market conditions, regulatory changes, and technological advancements, play a critical role in shaping sector-specific succession planning in family businesses. The increasing digitization of industries has increasingly blurred traditional sector boundaries, requiring family enterprises across all sectors to adopt digital tools and integrate technology into existing business models. This trend underscores the importance of successors possessing digital literacy and the capacity to leverage technological innovations effectively (Porfírio, 2020).

Globalization further adds both opportunities and challenges, compelling successors to navigate complex supply chains, international competition, and cultural differences. These external pressures demand strategic insight, adaptability, and a global perspective in leadership development and succession planning. Family businesses operating in export-driven or internationally connected sectors must prepare successors who can respond to these dynamics while maintaining operational stability and sustaining long-term competitiveness.

## **2.8 The GLOBE Study and Family Businesses**

Building on the role of external factors, this study employs internationally validated constructs, contextualizing them in Hebron's family business environment, and empirically testing the moderating effects of demographic characteristics.

The GLOBE (Global Leadership and Organizational Behavior Effectiveness) study provides a comprehensive framework for examining the impact of culture on organizational behavior, including family business practices. While some dimensions overlap with Hofstede's cultural framework, the GLOBE study offers nuanced insights into family business dynamics across societies (De Massis & Foss, 2018).

One key dimension, In-Group Collectivism, measures the extent to which individuals prioritize loyalty, unity, and family cohesion. In cultures with high in-group collectivism, family businesses often emphasize family control and participation in decision-making, resulting in leadership being passed along family lines even when external managers may be more qualified (Van Gils et al., 2019; Chen et al., 2014).

Gender Egalitarianism is another crucial dimension, reflecting the degree to which a society reduces traditional gender roles and promotes equal participation of men and women. In countries with high gender egalitarianism, such as those in Scandinavia, women are more likely to hold top management positions in family businesses. Conversely, in countries with low

gender egalitarianism, such as many Middle Eastern societies, women's involvement in leadership succession is often limited despite their competence and qualifications (Deephouse & Jaskiewicz, 2013).

Performance Orientation measures the extent to which a culture emphasizes achievement, excellence, and meritocracy. In highly performance-oriented cultures like the USA and Germany, family businesses tend to select leaders based on competence rather than age, gender, or birth order. In contrast, in cultures with lower performance orientation, succession decisions are more likely to prioritize family ties, loyalty, and adherence to tradition (Farrington et al., 2011; Haberman & Danes, 2007).

Several factors contribute to these culturally influenced succession patterns. Cultural norms and expectations, particularly in patriarchal societies, often favor male heirs, restricting women's opportunities in leadership (Hsueh et al., 2023). Gender stereotypes reinforce these biases, portraying men as decisive and capable leaders, while women are perceived as more suited for domestic roles (De Massis & Foss, 2018). Legal and economic barriers, including inheritance laws favoring male heirs, can further hinder women's access to ownership or leadership positions (Nelson & Constantinidis, 2017). Additionally, women frequently face challenges in balancing family and business roles, limiting their ability to focus on leadership development (Oshinowo, 2017). Deficiencies in mentoring and support also exacerbate the problem, as male family members in authoritative positions may fail to provide guidance or mentorship to female successors, restricting their readiness to assume leadership roles (Porfírio et al., 2020).

In summary, the GLOBE study underscores how cultural dimensions profoundly shape succession practices in family businesses, influencing decisions regarding leadership selection, gender inclusion, and the balance between tradition and merit-based management. These cultural factors, combined with external pressures, highlight the importance of contextualizing succession planning within both global and local environments.

## 2.9 Theoretical and Methodological Justification

This study is grounded in the Socioemotional Wealth (SEW) Theory and Corporate Governance Theory, which together explain the distinctive decision-making logic of family businesses. The SEW perspective emphasizes that family firms often prioritize the preservation of family identity, continuity, and emotional attachment over purely financial objectives (Gómez-Mejía et al., 2019), illustrating that succession is not merely an economic process but also a social and emotional one characterized by the tension between stability (conservativeness) and renewal (openness). In parallel, Corporate Governance Theory underscores the role of structures, procedures, and transparent mechanisms—such as family councils, succession planning, and formal boards—in ensuring smooth leadership transitions and minimizing intergenerational conflicts (Suess-Reyes, 2017; Steier et al., 2015).

Building on these theoretical foundations, the research problem is justified by the reality that Palestinian family businesses, particularly those in Hebron, are deeply rooted in cultural traditions and encounter distinctive challenges in succession processes. The existing literature highlights a gap in integrating both SEW and governance perspectives within the local context (Habash & Baidoun, 2024), reinforcing the relevance and necessity of this study. Accordingly, the research examines how openness, conservativeness, succession planning, and governance influence succession success and how demographic characteristics—such as firm size, growth rate, generational stage, and gender—moderate these relationships, as supported by international evidence (Yezza et al., 2021; Nelson & Constantinidis, 2017).

However, within the Palestinian context, significant gaps remain. Previous studies have shown limited integration of governance and socioemotional wealth (SEW) theories, leading to an incomplete understanding of how these frameworks interact in local family firms. Moreover, demographic moderators such as firm size, growth rate, gender, and generational stage have been underrepresented in empirical investigations. Many studies have also relied heavily on

adapted measurement instruments without proper local validation, reducing contextual accuracy and reliability. Additionally, much of the existing literature has been descriptive rather than analytical, often lacking a critical synthesis of contradictions among prior findings.

To address these gaps, the current study integrates global theoretical perspectives with the Palestinian context, employs empirically validated instruments, and tests the moderating influence of demographic factors on succession success within Hebron's family-owned businesses.

In summary, this theoretical and methodological justification provides the foundation for the hypotheses (H1–H5) and guides the development of the conceptual framework for this study

## **2.10 The Conceptual Framework:**

Based on the reviewed theories and empirical studies, the conceptual framework of this research integrates openness, conservativeness, succession planning, and governance as independent variables, with successful succession as the dependent variable. Demographic characteristics (firm size, growth rate, generation, and gender) are included as moderating factors. This framework reflects both global theories and the specific socio-cultural realities of Palestinian family firms.

The succession process in family businesses is influenced by a combination of independent variables, mediating factors, and contextual considerations, all of which collectively determine the effectiveness of leadership transitions. Openness among family members, defined as their willingness to consider new ideas and adapt to leadership changes, plays a critical role in fostering dialogue, innovation, and smooth transitions. Families that embrace openness tend to facilitate the adoption of new leadership models, enabling successors to integrate effectively into the business (Hsueh et al., 2023).

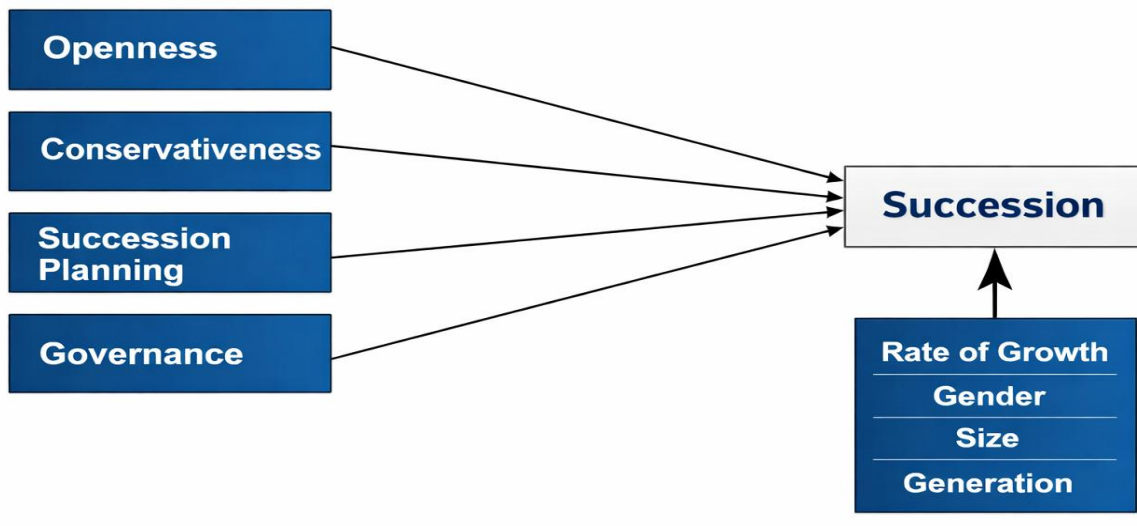


Figure (2.10.1) Factors Influencing Succession in Family Businesses

In contrast, conservativeness, or the adherence to traditional practices and resistance to leadership change, can impede succession. Conservative families may impose arbitrary criteria for selecting successors, delay leadership transitions, and limit the identification of qualified candidates, thus obstructing smooth generational handovers.

Succession planning and governance are formal mechanisms that mediate the impact of these cultural and attitudinal factors. Succession planning encompasses structured strategies such as mentoring, training, and clear documentation of leadership roles, which prepare potential successors to assume managerial responsibilities. Governance refers to internal rules, policies, and structures that separate ownership from management, involve non-family professionals in advisory or board roles, and ensure transparent and accountable decision-making. Effective governance not only facilitates a fair and transparent succession process but also mitigates conflicts arising from family disputes, thereby improving succession outcomes.

The effectiveness of these determinants is further shaped by mediating and moderating factors, including firm size, business growth rate, the generation in charge, and the gender of the successor. Larger firms often adopt formalized succession procedures and benefit more from

governance mechanisms, while smaller businesses tend to rely on trust-based, informal practices. Similarly, the growth rate of a business influences succession planning: rapidly expanding firms require more structured planning and professional guidance, whereas slower-growing businesses may prioritize operational continuity and the preservation of family culture. Generational factors also play a crucial role, as later generations often face increased complexity due to larger family networks, diverging interests, and accumulated legacy obligations. Gender, meanwhile, shapes succession outcomes by affecting perceptions of legitimacy, leadership acceptance, and the extent to which opportunities are allocated to male or female successors.

Sector-specific characteristics further contextualize succession needs. Businesses operating in emerging or technology-driven sectors require successors with modern skills and an innovative mindset, highlighting the importance of openness and performance-oriented criteria. In traditional industries, however, emphasis may be placed on continuity, operational stability, and incremental improvements. These sectoral influences interact with firm-specific factors to determine the degree of formality and the nature of succession mechanisms necessary to ensure a successful transition.

In sum, the successful succession of family businesses is the result of complex interactions between cultural traits (openness and conservativeness), formal mechanisms (succession planning and governance), and contextual factors (size, growth, generation, gender, and sector). Governance acts as a central integrative element, coordinating these influences to ensure transparent, fair, and effective leadership transitions. Depending on the firm's characteristics, these variables can either strengthen or moderate the relationship between succession determinants and outcomes. For instance, governance may play a particularly strong role in larger firms, succession planning may be more critical in high-growth businesses, and gender or generational considerations can influence how openness and conservativeness are enacted

within the family. Ultimately, understanding these interrelated factors provides a comprehensive framework for predicting and enhancing successful succession in family-owned enterprises

Based on the reviewed theories, the conceptual model of this study assumes that openness, conservativeness, succession planning, and governance mechanisms represent key determinants influencing the success of generational succession in family businesses. The model further integrates firm demographic characteristics (firm size, growth rate, generational stage, and leader gender) as potential moderating variables.

In summary, this conceptual framework integrates cultural traits (openness and conservativeness), formal mechanisms (succession planning and governance), and contextual moderators (sector, firm size, growth rate, generation, and gender) to explain succession success in Palestinian family businesses. This framework provides the foundation for the study's hypotheses (H1–H5) and guides the empirical analysis in the following chapters.

## **2.11 Owner and Successor's Roles**

In addition to structural determinants such as openness, conservativeness, succession planning, and governance, the roles of both the owner and the successor constitute a central pillar in ensuring successful succession within family businesses. The succession process is not only a matter of organizational design but also a deeply personal and relational undertaking that requires commitment and adaptability from both sides (Porfirio, 2020).

On the owner's side, the role is primarily associated with recognizing, grooming, and preparing the designated heir for future leadership. Owners, often the founding or senior family members, bear the responsibility of identifying suitable successors who align with both business requirements and family values. This stage typically involves structured mentoring, providing hands-on training, and gradually exposing the successor to decision-making responsibilities.

Crucially, the owner must also be willing to relinquish control over the firm at the appropriate stage and place trust in the successor's capacity to lead. A lack of willingness to let go of authority has been consistently identified as a major obstacle to smooth succession in family businesses (Sageder et al., 2018).

The successor, on the other hand, must actively embrace the leadership position and all associated challenges. This requires developing a strong foundation of technical knowledge, managerial competence, and industry-specific expertise. Beyond formal training, successors are expected to gain practical experience within the firm and demonstrate an ability to integrate established practices with innovative approaches suited to contemporary market demands. Moreover, successors must navigate family dynamics, manage intergenerational expectations, and balance the preservation of legacy with the introduction of new strategies (Hsueh et al., 2023).

Taken together, the effectiveness of succession is shaped by the interaction between owner and successor roles. While structural factors such as openness, conservativeness, governance mechanisms, and formal succession planning provide the framework, the personal agency and relational dynamics between owner and successor determine how these frameworks are enacted in practice. For instance, openness may encourage successors to introduce new ideas, but unless the owner demonstrates trust and willingness to delegate, such openness may not translate into meaningful organizational change. Similarly, conservative family values may hinder succession unless the successor shows adaptability in respecting traditions while gradually introducing innovation.

Finally, these owner-successor dynamics also interact with moderating factors such as firm size, generation, gender, and growth rate. Larger firms with complex governance structures may reduce overdependence on the owner's personal role, while in smaller firms, the owner's influence remains decisive. In later generations, the successor's role becomes more challenging

as family branches diversify, requiring stronger conflict management skills. Gender dynamics further complicate this relationship, as female successors may face resistance regardless of competence due to cultural or normative biases. High-growth firms, in contrast, place additional pressure on successors to combine entrepreneurial agility with strong governance mechanisms.

Thus, recognizing the dual significance of owner and successor roles enriches the understanding of succession beyond structural determinants, highlighting succession not merely as an organizational process but as a relational, dynamic, and intergenerational exchange that ultimately secures the continuity and performance of family businesses (Porfírio, 2020; Sageder et al., 2018; Hsueh et al., 2023).

In summary, the interaction between owner and successor roles complements structural determinants and moderating variables, reinforcing that successful succession in family businesses is not only an organizational process but also a relational and intergenerational exchange. This dual perspective directly connects with the problem statement in Chapter One, which highlighted succession challenges in Palestinian family firms, and builds on the theoretical foundations in Chapter Two (SEW, Governance, and GLOBE). By integrating personal agency with structural and cultural determinants, this section provides deeper insight into how the hypotheses (H1–H5) operate within the Palestinian family business context.

## **2.12 Previous Studies**

The role of gender in family business succession has long been a focus of scholarly attention, particularly in contexts shaped by cultural and social norms. Nelson (2017) provided one of the earliest critical analyses through a meta-analytical review of family business research. She argued that the overreliance on quantitative methodologies has led to the marginalization of women's lived experiences in succession studies. By advocating for qualitative approaches, Nelson highlighted the importance of examining succession as a socially constructed process,

shaped by family relationships and cultural expectations rather than merely by formalized structures.

Building on this foundation, Kubik (2018) conducted a systematic review of 35 studies addressing gender and succession in patriarchal societies. Her research identified cultural norms, implicit gender biases, and perceptions of women's leadership competencies as the primary independent variables shaping succession outcomes. The dependent variables included women's participation in leadership and their access to succession opportunities. Kubik concluded that despite women's proven managerial competence, implicit biases continued to limit their ascension to leadership. She recommended the integration of gender sensitivity training into governance structures and the development of inclusive leadership pathways.

At the local level, Al-Shanawi (2021) examined the Palestinian context, where cultural norms and social expectations strongly influence succession practices. Her study positioned gender as the independent variable, while women's participation in succession, access to leadership training, and cultural and social barriers were treated as dependent variables. Intervening factors such as mentorship programs and inclusive family policies were also considered. Al-Shanawi found that while women are increasingly active in operational roles within Palestinian family firms, their leadership participation remains minimal due to cultural pressures privileging male heirs. She concluded by recommending targeted reforms, including mentorship programs, leadership training for women, and more inclusive succession policies.

Expanding this discussion to a regional perspective, Al-Shaibani (2023) investigated family inclusivity and its impact on women's succession intentions in the Middle East and North Africa. Her findings indicated that recognition of women's contributions, transparent succession planning, and open family dialogue significantly enhanced women's willingness to assume leadership roles. She further emphasized the importance of mentorship and shared

decision-making in reducing gender disparities, offering valuable insights for societies where family cohesion strongly dictates succession outcomes.

More recent contributions have turned to structural and institutional barriers. Von Spetze (2024) examined how institutional inequalities, such as gender stereotypes and exclusion from decision-making processes, hinder women's succession opportunities. She proposed practical reforms, including leadership development workshops, gender diversity quotas, and the introduction of external oversight to foster inclusivity in succession planning. Likewise, Alvarez (2024) explored the role of unconscious biases and the absence of gender-neutral leadership criteria within family firms. Her study revealed that despite formal commitments to equality, women continue to face challenges to their leadership legitimacy. Alvarez recommended redefining evaluation metrics and implementing awareness programs to counteract unconscious biases.

Taken together, these studies demonstrate the persistence of cultural, structural, and institutional barriers to women's inclusion in family business succession. While earlier works (e.g., Nelson, 2017; Kubik, 2018) focused on cultural and methodological biases, more recent research (e.g., von Spetze, 2024; Alvarez, 2024) highlights structural and institutional inequalities, and regional studies (e.g., Al-Shanawi, 2021; Al-Shaibani, 2023) provide contextual insights from Palestine and the broader MENA region. However, despite these valuable contributions, significant research gaps remain. In particular, little empirical work has examined how gender intersects with other determinants of succession—such as governance, conservativeness, and firm size—within Palestinian family businesses. Addressing this gap is essential for developing a more comprehensive understanding of how gender moderates the effectiveness of succession planning in contexts shaped by strong cultural traditions.

Recent empirical research in the Palestinian context enhances the relevance of this study's focus on family businesses. For example, Sultan et al. (2024) investigated 180 Palestinian family-

owned firms (90 in Palestine and 90 abroad) and found that governance mechanisms significantly moderate the effect of entrepreneurial orientation on firm performance, although geographic location did not always act as a moderator. Similarly, Sultan & Sultan et al. (2024) compared home-country vs immigrant Palestinian family firms and documented differential growth potential related to ownership context and geographic embeddedness. These studies lend strong local support to the present research's consideration of governance, generational transition, demographic characteristics, and contextual moderators in the Palestinian family business environment

In the Palestinian context, Sultan and Sultan (2021) emphasized that family businesses in Palestine face succession challenges due to informal governance and limited intergenerational planning. Similarly, Alawneh and Awad (2022) highlighted the cultural and gender-related barriers affecting leadership transition in Palestinian family firms.

In summary, previous studies highlight persistent cultural, structural, and institutional barriers to women's inclusion in family business succession, while offering valuable insights into governance and demographic moderators. However, limited empirical work has examined how gender intersects with openness, conservativeness, governance, and firm size within Palestinian family firms. This gap directly connects to the research problem outlined in Chapter One and reinforces the theoretical foundations discussed in Chapter Two, thereby justifying the hypotheses (H1–H5) and the conceptual framework of this study

## **2.13 Conclusion**

In conclusion, the reviewed literature highlights the complex and multidimensional nature of succession in family businesses, where economic, cultural, and behavioral dimensions converge to shape continuity and long-term success. Empirical findings consistently underscore the importance of openness, conservativeness, succession planning, and governance as critical determinants of effective leadership transition (Chen et al., 2014; Hiebl, 2015; Suess-Reyes,

2017; Porfirio et al., 2020). However, most of these studies were developed within Western contexts, which differ substantially from the socio-cultural and institutional realities of developing economies such as Palestine.

The Palestinian family business context presents unique dynamics deeply influenced by socio-cultural traditions, informal governance structures, and external environmental pressures such as political instability and limited institutional support (Habash & Baidoun, 2024; Basiouni & Baidoun, 2019). Hebron, in particular, is a major hub of Palestinian family enterprises where intergenerational ownership continuity remains central to economic resilience and community development (Baidoun & Lussier, 2018; Al-Sadiq & Shaheen, 2022). These factors necessitate contextualizing global theoretical models—such as socioemotional wealth and stewardship theory—within the Palestinian environment to capture how family values, collectivism, and resilience influence succession outcomes (Zahra, 2021; Al-Khatib, 2023).

Moreover, the moderating role of demographic characteristics—including firm size, growth rate, generational stage, and gender—has been underexplored in local research despite strong international evidence of their influence (Yezza et al., 2021; Nelson & Constantinidis, 2017). Studies in the Middle East and North Africa (MENA) region suggest that larger and multi-generational firms tend to adopt more formal succession and governance mechanisms, whereas smaller, first-generation businesses rely heavily on informal family arrangements (Sharif & El-Garaihy, 2022; Habash & Baidoun, 2024). Similarly, changing gender dynamics within Palestinian society have begun to reshape leadership roles, with growing acceptance of female successors in family enterprises, challenging long-standing patriarchal traditions (Habash & Baidoun, 2024; Barakat, 2023).

Accordingly, this study builds upon established theoretical foundations and addresses significant empirical gaps by focusing on Palestinian family firms, particularly those in Hebron. The proposed conceptual framework integrates openness, conservativeness, succession

planning, and governance as independent determinants of succession success, while incorporating demographic characteristics as moderating variables. This approach contributes to a more comprehensive understanding of succession in developing contexts by blending established theories with localized empirical insights. The framework thus provides both a theoretical extension and a practical foundation for understanding intergenerational continuity and sustainability in Palestinian family businesses (Habash & Baidoun, 2024; Porfírio et al., 2020; Al-Khatib, 2023)

In summary, the conclusion of Chapter Two highlights the theoretical and empirical foundations that justify the study's hypotheses (H1–H5). By contextualizing global theories within the Palestinian environment and addressing gaps in prior research, this chapter provides the basis for the conceptual framework and sets the stage for the empirical analysis in the subsequent chapters.

# Chapter 3

## Methodology

### 3.1 Introduction

This chapter presents the research methodology followed in this study. It includes the research approach, population and sample, data collection instrument, measurement of variables, data analysis methods, and ethical considerations. The methodology was carefully designed to ensure alignment with the theoretical framework described in Chapter Two and to provide accurate, valid, and reliable findings.

This study adopted the descriptive-analytical approach, as it is considered a suitable approach for understanding the nature of social and administrative phenomena of a behavioral and organizational nature. This approach enables the researcher to describe and analyze the phenomenon under study, examine the relationships between its variables, and draw conclusions that contribute to enriching theoretical knowledge and providing practical recommendations that support decision-making based on field data. The adoption of this methodology is consistent with the conceptual framework presented in Chapter Two, which emphasized the main determinants of successful succession in family businesses, namely openness, conservatism, succession planning, and governance (Oshinowo, 2017; Rösen, Drozdowski, & Wolter, 2021; Steier, Chrisman, & Chua, 2015; Della, 2010). Accordingly, the current study focuses on examining these factors and their role in ensuring effective leadership succession in family businesses

The methodological framework of this study was designed in full alignment with the conceptual model developed in Chapters One and Two. Accordingly, the independent variables include

openness, conservativeness, succession planning, and governance, while successful succession represents the dependent variable. Firm size, growth rate, generational stage, and gender serve as moderating or mediating variables, consistent with the hypotheses established earlier. This consistency ensures coherence between the theoretical framework, the operational definitions, and the empirical testing process

In summary, the methodological framework ensures coherence between the theoretical foundations presented in Chapter Two and the empirical testing of hypotheses (H1–H5). This chapter thus provides the operational basis for examining how openness, conservativeness, succession planning, and governance—moderated by firm demographics—shape successful succession in Palestinian family businesses.

## **3.2 Research Approach**

This study adopted the descriptive–analytical approach, as it is considered a suitable approach for understanding the nature of social and administrative phenomena of a behavioral and organizational nature. The descriptive aspect enables the researcher to accurately portray the current situation of the phenomenon, while the analytical aspect helps identify relationships among the study variables. This approach assists in deriving conclusions that enrich theoretical understanding and provide practical recommendations based on field data.

It is consistent with the conceptual framework presented in Chapter Two, which emphasizes the key determinants of successful succession, namely openness, conservatism, succession planning, and governance (Oshinowo, 2017; Rösen, Drozdowski, & Wolter, 2021; Steier, Chrisman, & Chua, 2015; Della, 2010).

In summary, adopting the descriptive–analytical approach ensures methodological consistency with the conceptual framework and provides the empirical basis for testing the study’s hypotheses (H1–H5) within the Palestinian family business context. This approach bridges the theoretical foundations outlined in Chapter Two with the empirical procedures of Chapter

Three, thereby ensuring coherence between the study's objectives, hypotheses, and methodological design

### **3.3 Population and Sample**

#### **3.3.1 Study Population**

The population of the study consists of family businesses operating in Hebron, which are managed and owned by members of the family. These businesses cover a wide range of economic sectors, including agriculture, industry, commerce, services, crafts, and traditional professions. The focus on family businesses stems from their significant role in the Palestinian economy and the particular importance of succession in sustaining their operations across generations. Given the cultural, social, and economic characteristics of the region, the study of succession determinants within family businesses provides valuable insights into organizational practices that influence their continuity and long-term success.

#### **3.3.2 Study Sample**

In light of the absence of a comprehensive official database for family businesses in the West Bank and due to the specific nature of the study population, a purposive sampling method was employed. The sample was carefully selected to include family businesses in which members of the owning family are actively involved in management and operational decision-making. To ensure adequate representation of the different sectors, the sample was distributed across industrial, commercial, service, agricultural, and traditional professions, with a total of one hundred (100) questionnaires distributed equally among these sectors. This distribution was intended to reflect the diversity of family business activities and to capture sectoral differences that may affect succession practices.

The sample size of one hundred valid responses was deemed adequate based on the recommendations of Sekaran and Bougie (2019), which suggest that a minimum of 100

respondents is sufficient for regression and correlation analyses in behavioral studies with similar constructs. The final sample distribution across sectors—industrial, commercial, service, agricultural, and traditional occupations—ensured representation of diverse business types within Hebron. This sampling choice corresponds with the contextual focus outlined in Chapter One, emphasizing the importance of examining succession dynamics in the Palestinian city of Hebron.

In summary, the purposive sampling of family businesses across diverse sectors in Hebron ensures that the study captures the most representative context for examining succession determinants. This methodological choice aligns with the research problem outlined in Chapter One and the conceptual framework in Chapter Two, thereby providing a robust empirical basis for testing the hypotheses (H1–H5). Furthermore, this sampling strategy establishes the foundation for subsequent methodological steps, including data collection, measurement of variables, and statistical analysis, ensuring coherence throughout the research design

### **3.4. Questionnaire Design**

To fulfill the study's objectives, a structured questionnaire was created as the main research tool. The questionnaire was written in English and built on the basis of both recent and previous studies related to the topic, including works by Maseda, Iturralde, and Arosa (2023), Oshinowo (2017), Miller, Steier, and Le Breton-Miller (2003), and Rösen, Drozdowski, and Wolter (2021). The questionnaire's content was aligned with the study framework and hypotheses to ensure validity and consistency with the literature review.

The questionnaire was divided into three main sections. The first section gathered demographic details about the respondents and their businesses, such as ownership, years in operation, number of employees, and generational stage. The second section focused on assessing the factors influencing succession, including openness, conservatism, succession planning, and governance, using a Likert scale from strongly disagree to strongly agree. The third section

examined factors supporting successful succession, such as the managerial skills of the next generation, the existence of a clear and written succession plan, involvement of younger family members in decision-making, strong governance structures, and the willingness to adopt innovation and change, as well as selecting leaders based on merit rather than personal ties. The structure of the questionnaire thus aligns with the conceptual framework, the study's hypotheses, and the data collection process.

Table (1): The Characteristics of the Sample

Variable	Variable Levels	Number	Percentile	Missing Values
Are you a family member?	Yes	84	89.4%	-
	No	10	10.6%	
I'm from the generation?	First generation	26	27.7%	-
	Second generation	45	47.9%	-
	Third generation	20	21.3%	-
	Follower generation	3	3.2%	-
Which generation is currently running the company?	First generation	49	52.1%	-
	Second generation	35	37.2%	-
	Third generation	9	9.6%	-
	Follower generation	1	1.1%	-
What is the gender of the company's current manager?	Male	86	91.5%	-
	Female	8	8.5%	-
Number of family members working at the company	Male	579	77.5%	-
	Female	168	22.5%	-
Do you have a management role in the company?	Yes	75	79.8%	-
	No	19	20.2%	-
How many years has your family business been operating?	Less than 5 years	26	27.7%	-
	5-10 years	24	25.5%	-
	11-20 years	24	25.5%	-
	More than 20 years	20	21.3%	-
Number of employees in the company	Less than 10	45	47.9%	-
	10 - 50	36	38.3%	-
	51 - 100	8	8.5%	-
	More than 100	5	5.3%	-
Nature of the company	Agricultural	4	4.3%	-
	Industrial	16	17.0%	-
	Commercial	52	55.3%	-
	Services	20	21.3%	-
	Other	2	2.1%	-
The company grows according to the founders' plans	Exactly	55	58.5%	-
	Slowly	35	37.2%	-
	Stumbles	4	4.3%	-

The population of this study comprises family-owned businesses in Hebron and the surrounding areas that have been operating for more than 10 years. Given the absence of an official registry of family businesses and the practical challenges of reaching all enterprises, the researcher used convenience sampling. This sample is consistent with similar studies in developing economies, where access to firms is limited, but population characteristics are well-defined. A full copy of the questionnaire items is provided in the appendices to ensure transparency of the measurement process.

In summary, the structured questionnaire was carefully designed to ensure consistency with the conceptual framework and hypotheses (H1–H5). By capturing demographic characteristics, succession determinants, and supporting factors, the instrument provides a valid and reliable basis for empirical testing. This design not only links the theoretical foundations of Chapter Two with the methodological procedures of Chapter Three but also establishes a clear foundation for subsequent sections on variable measurement, data analysis, and ethical considerations

### **3.5 Measurement of Variables**

The study utilized a structured questionnaire as the primary data collection tool. The instrument was developed based on established and peer-reviewed studies in the field of family business succession. All items were measured using a five-point Likert scale ranging from (1) strongly disagree to (5) strongly agree. Each variable is described as follows:

**Openness:** Refers to the degree to which family members are receptive to change, innovation, and new perspectives in decision-making. This variable was measured using items adapted from Flynn and Chatman (2001) and Liu (2018).

**Conservatism:** Represents adherence to family traditions, cultural norms, and risk-averse practices. Items were adapted from Hiebl (2015) and Habash & Baidoun (2024).

**Succession Planning:** Involves formal and informal mechanisms through which potential successors are identified and prepared. The measurement of this construct was based on Chen et al. (2014) and Porfírio et al. (2020).

**Governance:** Captures the structures and processes that ensure effective decision-making and accountability within the family firm. Items were derived from Suess-Reyes (2017) and Basiouni & Baidoun (2019).

**Succession Success:** Reflects the extent to which leadership transition achieves continuity, harmony, and performance. This variable was measured using items from Miller et al. (2003) and Habash & Baidoun (2024).

The operationalization of variables strictly followed the theoretical definitions provided in Chapter One. This ensured conceptual alignment between the literature-based definitions and the measurement tools employed in this study. Moreover, all constructs were assessed using multi-item scales adapted from prior validated instruments, which enhances internal consistency and construct validity. The alignment between theoretical definitions, questionnaire items, and hypotheses reinforces the methodological rigor of the research.

In summary, the operationalization of openness, conservatism, succession planning, governance, and succession success through validated multi-item scales ensures methodological rigor. This alignment between theory, measurement, and hypotheses (H1–H5) provides a solid foundation for the empirical testing conducted in subsequent sections

### **3.6 Data Collection and Procedures**

Data were collected through both in-person distribution and electronic surveys targeting family business owners and successors across various sectors in Hebron. The researcher ensured that participants understood the study's purpose, the confidentiality of their responses, and that their

participation was voluntary. The responses were reviewed, coded, and prepared for statistical analysis.

The data collection procedures combined in-person and electronic methods to maximize participation and ensure diversity across sectors. By safeguarding confidentiality and voluntary participation, the study adhered to ethical standards while securing reliable data for statistical analysis, thereby reinforcing the validity of the research design

In summary, the data collection procedures ensured diversity across sectors and reinforced the validity of the research design

### **3.7 Methodological Justification**

Both theoretical and contextual factors influenced the methodological design. The questionnaire items were directly adapted from previously validated international studies instead of undergoing local expert review. This approach maintains scientific rigor, as the adopted scales were peer-reviewed and empirically tested (Chen et al., 2014; Porfírio et al., 2020; Habash & Baidoun, 2024).

Additionally, convenience sampling was chosen due to the lack of an official database of family businesses in Palestine and the logistical challenges of conducting a full census. Such sampling is widely accepted in management and organizational research for studying populations that are difficult to access (Etikan, Musa, & Alkassim, 2016; Sekaran & Bougie, 2019). Therefore, both the methodological and practical choices align with the academic standards of exploratory studies in developing contexts.

The adopted methodology reflects both the theoretical and empirical priorities discussed in the preceding chapters. Specifically, it operationalizes the determinants of succession (openness, conservativeness, succession planning, and governance) as measurable constructs derived from the theoretical framework. The methodological coherence between Chapters One, Two, and

Three strengthens the study's internal validity and ensures that the empirical findings directly address the research hypotheses established earlier.

In summary, the methodological choices adopted in this study reflect both theoretical rigor and contextual relevance. By ensuring coherence between Chapters One, Two, and Three, the design provides a solid foundation for testing the hypotheses (H1–H5) within the Palestinian family business context.

### **3.8 Data Analysis Techniques**

The collected data were analyzed using the Statistical Package for the Social Sciences (SPSS). Descriptive statistics were used to summarize demographic data and variable distributions, while inferential statistical techniques such as correlation and regression analysis were applied to test the research hypotheses. Reliability was assessed using Cronbach's alpha, and construct validity was verified through factor analysis to ensure the soundness of the measurement model. Additionally, comparative statistical tests, including one-way ANOVA and independent sample t-tests, were employed to examine whether succession success significantly differs across firm demographic characteristics such as firm size, growth rate, generational stage, and leader gender.

In summary, the use of descriptive, inferential, and comparative statistical techniques ensures methodological robustness. These analyses directly test the study's hypotheses and provide empirical evidence linking succession determinants to successful leadership transitions

### **3.9 Ethical Considerations**

Ethical standards were observed throughout the study. Participants were informed about the research objectives and the voluntary nature of their participation. Confidentiality and anonymity were guaranteed, and all responses were used exclusively for academic purposes. The study complied with ethical research guidelines followed by Palestinian universities. In

addition, response bias was mitigated by ensuring confidentiality, using neutral questions, and clarifying voluntary participation to all respondents.

In summary, adherence to ethical standards—including confidentiality, voluntary participation, and neutrality—reinforces the credibility of the study and safeguards the integrity of the data collection process

### **3.10 Methodological Limitations**

Despite the methodological rigor adopted in this study, several limitations must be acknowledged to ensure transparency and guide the interpretation of findings.

First, the absence of an official database of family businesses in Hebron required the use of a non-probability sampling method. While convenience and purposive sampling are widely accepted in exploratory studies, this approach may limit the generalizability of the findings to the broader population of Palestinian family firms.

Second, the questionnaire items were directly adapted from validated international studies on family business succession without undergoing local expert review in the Palestinian context. Although this ensures reliance on previously tested measures, the lack of local content validation may affect ecological validity and contextual sensitivity.

Third, although 125 questionnaires were distributed, only 100 valid responses were collected, resulting in an effective response rate of 80%. While this sample size is adequate for statistical analyses such as regression and correlation, the lack of systematic pilot testing and reporting of reliability measures (e.g., Cronbach's Alpha for each construct) creates a methodological gap.

Fourth, the sectoral and geographical distribution of the sample may not fully represent all family firms in Hebron Governorate. Industrial, commercial, agricultural, service, and

handicraft sectors were included, but smaller rural businesses may be underrepresented, which restricts the comprehensiveness of the results.

Finally, contextual factors external to the model—such as political instability, economic uncertainty, and cultural traditions specific to Hebron—may have influenced succession dynamics but were not directly measured in this study. Future research should incorporate these variables as moderators, employ stratified sampling strategies, and ensure comprehensive pilot testing with transparent reporting to enhance representativeness and validity.

In summary, while methodological limitations such as non-probability sampling, lack of local validation, and restricted sectoral coverage constrain the generalizability of the findings, the study remains a valuable exploratory contribution. By acknowledging these limitations and suggesting directions for future research, the study maintains transparency and strengthens its academic rigor

### 3.11 Instrument Validity

The validity of the research instrument was verified by calculating the Pearson correlation coefficient between each item of the questionnaire and the total score of the instrument, as presented in Table (2). The results indicated that all correlation coefficients were statistically significant at the 0.01 level, confirming that each item is consistent with the overall construct it measures and that the instrument possesses a high level of construct validity.

Table No. (2): Pearson Correlation Coefficients for Instrument Validity

No.	Paragraph	Correlation Coefficient	Significance level
1.	Management has been successfully changed within the company	-0.219	0.043
2.	The new generation possesses the necessary managerial skills	0.618	0.000
3.	The company continued to perform well after the succession	0.598	0.000

4.	There are frequent discussions among family members regarding leadership	0.238	0.021
5.	There is transparency in making leadership transition decisions	0.533	0.000
6.	The nature of the sector's operation affects the ease of leader selection	0.448	0.000
7.	The size of the family affects the ease or difficulty of leader selection	0.377	0.000
8.	The transition becomes more effective when involving the community and government	0.219	0.034
9.	The family prefers to select leaders from within the family	0.547	0.000
10.	The family refuses to change traditional leadership practices	0.341	0.001
11.	The leadership transition is clarified in a trust document	0.553	0.000
12.	Future leaders are trained through a structured program	0.597	0.000
13.	It is clear who will succeed the current CEO	0.517	0.000
14.	Family members are encouraged to gain external experience	0.658	0.000
15.	Non-family members are involved in succession planning	0.252	0.44
16.	Internal rules guide how the company is managed	0.626	0.000
17.	Decisions are made based on objective guidelines	0.633	0.000
18.	The Board of Directors includes non-family members	0.295	0.039
19.	Management and ownership are separated within the company	0.467	0.000
20.	Strategic decisions are made through transparent institutional processes	0.640	0.000
21.	Boundaries between business and family interests are clearly defined	0.726	0.000
22.	The generational transition process runs smoothly	0.661	0.000
23.	The company was not negatively affected after leadership transitioned to the new generation	0.520	0.000
24.	The next generation has the desire to learn and assume leadership	0.638	0.000
25.	The successor (heir) has been trained and qualified before assuming leadership	0.564	0.000
26.	Succession is based on competence rather than kinship	0.508	0.000
27.	The current generation manages the company and influences leadership transition planning	0.643	0.000
28.	Succession plans are adjusted based on growth and performance	0.568	0.000
29.	The nature of the company's business affects the ease of generational succession	0.501	0.000
30.	The number of family members affects the selection of the leader	0.333	0.001
31.	There are programs to develop young family leaders	0.613	0.000

The data presented in the previous table indicate that most of the correlation coefficients between the questionnaire items and the total score of the instrument are statistically significant. This result reflects a strong level of internal consistency among the instrument's items, confirming that they collectively measure the extent of generational succession determinants in family businesses in Hebron, in line with the theoretical framework upon which the scale was developed.

In summary, the validity tests confirmed that all questionnaire items consistently measured the intended constructs, ensuring strong construct validity

### 3.12 Instrument Reliability

The researcher measured the reliability of the instrument using the internal consistency method by calculating Cronbach's Alpha coefficient, as presented in Table (3).

Table No. (3): Cronbach's Alpha Results for Reliability

Description	Number of Cases	Number Paragraphs	Cronbach's alpha value
Openness	94	5	0.520
Conservativeness	94	5	0.577
Succession planning	94	5	0.639
Governance	94	6	0.734
Generational Succession Process	94	10	0.832
Total score	94	31	0.893

The data presented in the previous table indicate that the reliability values for all dimensions of the questionnaire were high, and that the overall reliability coefficient of the instrument reached (0.893). Therefore, the questionnaire demonstrates a high level of reliability and can be considered a dependable tool for achieving the objectives of this study.

In summary, the Cronbach's Alpha results demonstrated high internal consistency, confirming the reliability of the instrument

### 3.13 Factor Analysis

The researcher conducted a Factor Analysis, as presented in Table (4), to examine the underlying structure of the instrument and to verify the adequacy of the data for measuring the main constructs of the study.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.773
Bartlett's Test of Sphericity	Approx. Chi-Square	1423.572
	df	465
	Sig.	.000
a. Based on correlations		

The results in the above table show that the value of the Kaiser-Meyer-Olkin (KMO) measure was 0.773, which is considered acceptable since the minimum required value is 0.600. In addition, the significance value (Sig = 0.000) is less than 0.05, indicating that the correlations among the items are adequate and that the data are suitable for factor analysis. Accordingly, the measurement model can be described as statistically strong and highly adequate.

	Raw		Rescaled	
	Initial	Extraction	Initial	Extraction
Management has been successfully changed within the company	.337	.111	1.000	.331
The new generation possesses the necessary managerial skills	1.775	1.383	1.000	.779
The company continued to perform well after the succession	1.446	1.068	1.000	.739
There are many discussions among family members about leadership	1.578	1.063	1.000	.673
Transparency exists in leadership transition decisions	1.598	1.079	1.000	.675
The nature of the sector's operation affects the ease of leader selection	1.686	1.418	1.000	.841
The size of the family affects the ease or difficulty of selection	1.638	1.237	1.000	.755
The transition is more effective when involving the community and government	1.585	1.195	1.000	.754

The family prefers to select leaders from within the family	1.576	1.199	1.000	.760
The family refuses to change traditional leadership practices	1.700	1.258	1.000	.740
The transition process is clarified in a trust document	1.548	1.002	1.000	.647
Future leaders are trained through a planned program	1.582	.906	1.000	.573
It is clear who will succeed the current CEO	1.763	1.451	1.000	.823
Family members are encouraged to gain external experience	1.768	1.324	1.000	.749
Non-family members are involved in succession planning	1.731	1.340	1.000	.774
Internal rules guide how the company is managed	1.262	.813	1.000	.644
Decisions are made based on objective guidelines	1.431	1.024	1.000	.716
The Board of Directors includes non-family members	1.828	1.514	1.000	.828
Management and ownership are separated within the company	1.755	1.272	1.000	.725
Strategic decisions are made through transparent institutional processes	1.311	.950	1.000	.724
Boundaries between business and family interests are clear	1.510	1.115	1.000	.738
The generational transition process runs smoothly	1.433	.938	1.000	.655
The company was not negatively affected after leadership transitioned to the new generation	1.347	.877	1.000	.651
The next generation has the desire to learn and assume leadership	1.564	1.076	1.000	.688
The successor (heir) has been trained and qualified before taking leadership	1.456	1.137	1.000	.781
Succession is based on competence rather than kinship	1.545	.986	1.000	.638
The current generation manages the company and influences leadership transition planning	1.302	.770	1.000	.591
Succession plans decline based on growth and performance	1.196	.655	1.000	.547
The nature of the company's business affects the ease of generational succession	1.390	.921	1.000	.663
The number of family members affects leader selection	1.531	.941	1.000	.615
Programs exist to build young family leaders	1.571	1.036	1.000	.659
Extraction Method: Principal Component Analysis				

The outer factor loading coefficient measures the degree of correlation between each item (indicator) and the latent variable to which it belongs. The results presented in Table (6) show

that all loading coefficients for the study indicators exceed 0.50, which indicates that the study items demonstrate a good level of validity.

The internal consistency of the study model was also assessed through the examination of item loadings across all dimensions. To verify the convergent validity of the model, the factor loadings of all items were analyzed, as shown in Table (6). These results confirm that the measurement model achieves acceptable convergent validity and that the indicators reliably represent their respective latent constructs.

	Component	Initial Eigenvalues <sup>a</sup>			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
		Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Raw	1	13.125	28.078	28.078	13.125	28.078	28.078	7.339	15.700	15.700
	2	4.513	9.655	37.732	4.513	9.655	37.732	4.554	9.743	25.443
	3	3.218	6.883	44.616	3.218	6.883	44.616	3.591	7.681	33.124
	4	2.791	5.971	50.586	2.791	5.971	50.586	3.359	7.185	40.309
	5	2.164	4.629	55.215	2.164	4.629	55.215	3.242	6.936	47.245
	6	2.118	4.532	59.747	2.118	4.532	59.747	2.717	5.813	53.058
	7	1.823	3.900	63.646	1.823	3.900	63.646	2.971	6.356	59.415
	8	1.761	3.768	67.414	1.761	3.768	67.414	2.842	6.080	65.495
	9	1.546	3.308	70.723	1.546	3.308	70.723	2.444	5.228	70.723
	10	1.428	3.055	73.778						
	11	1.338	2.863	76.641						
	12	1.225	2.620	79.261						
	13	1.106	2.366	81.628						
	14	.962	2.058	83.686						
	15	.899	1.924	85.610						
	16	.761	1.627	87.237						
	17	.728	1.557	88.794						
	18	.693	1.482	90.275						
	19	.606	1.296	91.572						
	20	.537	1.149	92.721						
	21	.489	1.047	93.768						
	22	.433	.926	94.694						
	23	.404	.864	95.558						
	24	.388	.831	96.388						
	25	.344	.737	97.125						
	26	.318	.680	97.805						
	27	.266	.570	98.375						
	28	.254	.543	98.918						
	29	.209	.447	99.365						

	30	.156	.334	99.699							
	31	.141	.301	100.000							
Rescaled	1	13.125	28.078	28.078	8.726	28.149	28.149	4.949	15.965	15.965	
	2	4.513	9.655	37.732	2.744	8.850	36.999	2.934	9.465	25.430	
	3	3.218	6.883	44.616	2.071	6.682	43.681	2.265	7.307	32.737	
	4	2.791	5.971	50.586	1.879	6.061	49.742	2.254	7.272	40.009	
	5	2.164	4.629	55.215	1.404	4.530	54.272	2.056	6.633	46.641	
	6	2.118	4.532	59.747	1.331	4.293	58.565	1.922	6.199	52.840	
	7	1.823	3.900	63.646	1.186	3.825	62.391	1.921	6.198	59.038	
	8	1.761	3.768	67.414	1.132	3.651	66.041	1.669	5.385	64.424	
	9	1.546	3.308	70.723	1.005	3.241	69.282	1.506	4.859	69.282	
	10	1.428	3.055	73.778							
	11	1.338	2.863	76.641							
	12	1.225	2.620	79.261							
	13	1.106	2.366	81.628							
	14	.962	2.058	83.686							
	15	.899	1.924	85.610							
	16	.761	1.627	87.237							
	17	.728	1.557	88.794							
	18	.693	1.482	90.275							
	19	.606	1.296	91.572							
	20	.537	1.149	92.721							
	21	.489	1.047	93.768							
	22	.433	.926	94.694							
	23	.404	.864	95.558							
	24	.388	.831	96.388							
	25	.344	.737	97.125							
	26	.318	.680	97.805							
	27	.266	.570	98.375							
	28	.254	.543	98.918							
	29	.209	.447	99.365							
		30	.156	.334	99.699						
		31	.141	.301	100.000						

Extraction Method: Principal Component Analysis.

a. When analyzing a covariance matrix, the initial eigenvalues are the same across the raw and rescaled solution.

From Table (6), a total of nine factors were extracted, each with eigenvalues greater than 1.5. The analysis also revealed the percentage of variance explained by each factor relative to the total variance, with the nine factors collectively accounting for 70.723%, a high and acceptable percentage. The eigenvalue represents the criterion for determining the contribution of each

component to the explained variance; the higher the eigenvalue, the greater the amount of variance explained by that factor

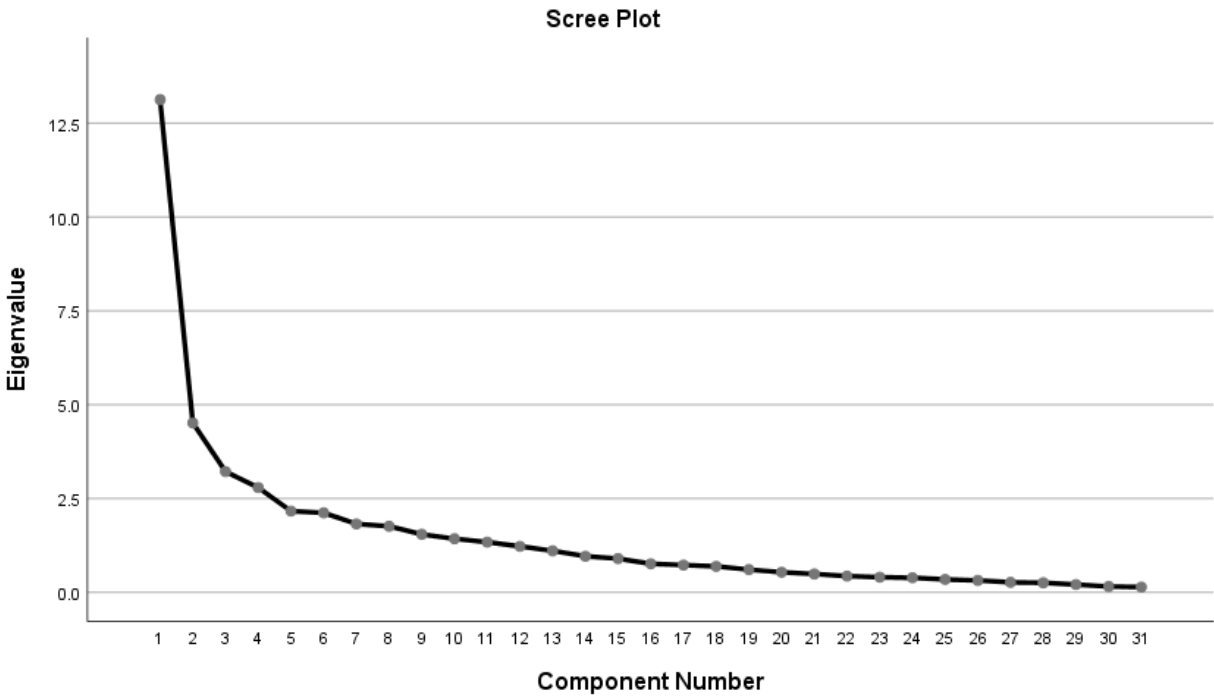


Figure (1)

The Scree Plot illustrates the eigenvalues of each factor on the Y-axis and the component number on the X-axis. As shown in the figure, nine factors have eigenvalues greater than 1.5, while the remaining factors have eigenvalues lower than 1.5. Therefore, the scree plot serves as an additional criterion—alongside the rule of retaining factors with eigenvalues greater than 1.5—to determine the number of factors in the factor analysis, keeping only those located within the steep slope area of the curve.

Table No (7): Component Matrix <sup>a</sup>		
	Raw	Rescaled
	Component	Component

	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Management has been successfully changed within the company																		
The new generation possesses the necessary managerial skills	.868	-.290-	.249	.500	-.049-	-.230-	-.287-	-.174-	.258	.651	-.218-	.187	.375	-.037-	-.172-	-.215-	-.131-	.194
The company continued to perform well after the succession	.735	-.034-	.144	.369	-.420-	-.108-	-.371-	-.078-	.195	.611	-.028-	.120	.307	-.349-	-.089-	-.308-	-.065-	.162
There are frequent discussions among family members regarding leadership	.187	.458	.061	.128	.847	.048	-.209-	-.141-	.124	.149	.365	.049	.102	.674	.038	-.166-	-.112-	.099
There is transparency in making leadership transition decisions	.684	-.084-	.274	.545	-.403-	.131	-.093-	-.190-	.087	.541	-.066-	.217	.431	-.319-	.104	-.074-	-.150-	.069
The nature of the sector's operation affects the ease of leader selection	.566	-.058-	.607	.195	.338	-.460-	.104	-.139-	-.576-	.436	-.045-	.467	.150	.261	-.355-	.080	-.107-	-.443-
The size of the family affects the ease or difficulty of leader selection	.400	-.044-	.872	.126	.176	-.248-	-.092-	.318	.310	.312	-.034-	.681	.099	.137	-.194-	-.072-	.249	.242
	-.094-	-.032-	.170	-.209-	.014	.061	.006	.126	.096	-.162-	-.055-	.293	-.360-	.025	.105	.011	.216	.165

The transition becomes more effective when involving the community and government	.727	.025	.944	.671	.748	.655	.359	.754	.106
The family prefers to select leaders from within the family	.091	1.006	-.073-	.313	.349	.242	.016	-.497-	.873
The family refuses to change traditional leadership practices	-.196-	.010	-.314-	-.193-	-.266-	-.067-	.764	.203	.409
The leadership transition is clarified in a trust document	-.379-	-.137-	-.398-	-.323-	.200	-.131-	-.501-	-.508-	.067
Future leaders are trained through a structured program	-.173-	.034	-.022-	.003	.108	.492	.174	.097	-.167-
It is clear who will succeed the current CEO	.131	.005	-.237-	-.336-	-.300-	.333	.459	.054	-.027-
Family members are encouraged to gain external experience	-.173-	-.379-	-.040-	.609	.109	-.222-	.127	-.094-	.323
Non-family members are involved in succession planning	-.132-	-.303-	.330	.296	.007	.269	-.037-	-.072-	-.291-
Internal rules guide how the company is managed	-.012-	.268	-.039-	.436	.016	-.130-	.192	.242	.178
	.647	.019	.710	.505	.595	.527	.275	.600	.084
	.081	.764	-.055-	.236	.278	.195	.012	-.396-	.694
	-.174-	.007	-.236-	-.145-	-.212-	-.054-	.586	.162	.325
	-.338-	-.104-	-.300-	-.243-	.159	-.105-	-.384-	-.404-	.054
	-.154-	.026	-.016-	.002	.086	.396	.133	.077	-.133-
	.116	.004	-.178-	-.253-	-.238-	.268	.352	.043	-.022-
	-.154-	-.288-	-.030-	.459	.087	-.179-	.097	-.075-	.257
	-.118-	-.231-	.248	.223	.006	.216	-.028-	-.057-	-.231-
	-.010-	.204	-.030-	.329	.013	-.105-	.147	.193	.142





### **Rotated Component Matrix**

The rotated component matrix includes nine factors. According to the general rule, any factor with loadings greater than 0.30 on three or more variables can be considered a valid component to retain. In cases of over-loading, the higher value is selected.

As observed from the above table:

- Factor 1 shows strong loadings with 31 out of 31 variables.
- Factor 2 shows strong loadings with 31 out of 31 variables.
- Factor 3 shows strong loadings with 31 out of 31 variables.
- Factor 4 shows strong loadings with 31 out of 31 variables.
- Factor 5 shows strong loadings with 31 out of 31 variables.
- Factor 6 shows strong loadings with 31 out of 31 variables.
- Factor 7 shows strong loadings with 31 out of 31 variables.
- Factor 8 shows strong loadings with 31 out of 31 variables.
- Factor 9 shows strong loadings with 31 out of 31 variables.

These results indicate that all nine extracted factors demonstrate high communalities and internal correlations, confirming the adequacy of the factor structure and the robustness of the measurement model

In summary, the factor analysis results verified the adequacy of the measurement model and confirmed convergent validity across all constructs

### 3.14 Study Implementation Steps

The study defined the topic as measuring the extent of generational succession determinants in family businesses – the case of Hebron City.

After verifying the validity of the research instrument, the researcher printed and distributed 100 questionnaires to a group of family businesses located in Hebron Governorate.

The participating families completed the questionnaires as required, and the researcher collected them afterward. The total number of retrieved questionnaires was 94 valid responses.

The researcher then entered the data into a computer for statistical analysis using the Statistical Package for the Social Sciences (SPSS) software.

### 3.15 Study Variables

Independent Variables are Openness, Conservativeness, Succession Planning, and Governance.

Dependent Variable: Succession

Statistical Processing

After collecting the data, the researcher reviewed and prepared them for computer entry and statistical processing. Each response was coded numerically according to the level of agreement on a five-point Likert scale, as follows:

Level of Agreement	Assigned Value
Strongly Agree	5
Agree	4
Neutral	3
Disagree	2
Strongly Disagree	1

Thus, higher scores indicate a higher level of the determinants of generational succession in family businesses in Hebron City.

The statistical analysis included calculating frequencies, percentages, means, and standard deviations, as well as using the Pearson correlation coefficient, regression analysis, Cronbach’s Alpha reliability coefficient, and factor analysis (FA) — all performed using SPSS software.

### 3.16 Scale Adjustment

The five-point Likert scale was used as the primary means of estimation. This scale is widely used in behavioral and social science research, as it measures respondents’ agreement or disagreement with questionnaire items.

The Likert scale was used to assess the determinants of generational succession in family businesses based on the **arithmetic mean**, according to the following evaluation criteria:

Table (4): Correction Keys

mean range	Level of Agreement	Interpretation
1.00 – 1.79	Very Low	Very Weak Factor
1.80 – 2.59	Low	Weak factor
2.60 – 3.39	Average	Moderate factor
3.40 – 4.19	High	Strong factor
4.20 – 5.00	Very high	Very strong factor

In summary, Chapter Three presented the methodological framework of the study, including the research approach, population and sample, questionnaire design, measurement of variables, data collection procedures, methodological justification, data analysis techniques, ethical considerations, and limitations. The validity, reliability, and factor analysis results confirmed the robustness of the research instrument. Collectively, these methodological choices ensured coherence between the theoretical foundations outlined in Chapters One and Two and the empirical testing conducted in Chapter Four.

# Chapter 4

## Results

### 4.1 Introduction:

This chapter presents the statistical analysis of the study's data to test its hypotheses regarding the overall level of factors influencing succession in Family Businesses – The Case of Hebron City. To address this objective, the means and standard deviations were calculated to determine the overall level of the generational succession determinants in family businesses in Hebron. The results are presented in Table 8.

Table (8): Arithmetic means and standard deviations, range of determinants of generational succession in family businesses – the case of Hebron.

Domain	Arithmetic Mean	Standard Deviation	Score
Total Score: The determinants of succession in family businesses: the case of Hebron	3.1723	0.60387	Average

The data presented in the previous table indicate that the overall level of generational succession determinants in family businesses in Hebron was of a moderate degree, with a mean score of (3.1723) and a standard deviation of (0.60387).

Degree of Responses to the Questionnaire Items Measuring Generational Succession Determinants in Family Businesses – The Case of Hebron City

To answer this question, the means and standard deviations were calculated for each item of the questionnaire measuring the determinants of generational succession in family businesses in Hebron, arranged in order of importance, as shown in Table (9).

Table (9): Arithmetic means and standard deviations, range of determinants of generational succession in family businesses – the case of Hebron.

<b>Domain</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Score</b>
The company continued to perform well after succession	3.3936	1.20231	Average
The new generation possesses the necessary managerial skills	3.3404	1.33242	Average
There is transparency in making leadership transition decisions	3.1596	1.26409	Average
There are many discussions among family members about leadership	2.6702	1.25628	Average
Management has been successfully changed within the company	1.4574	.58041	Low
<b>Openness</b>	<b>2.80</b>	<b>0.67</b>	<b>Average</b>
The family prefers to choose leaders from within the family	3.8404	1.25555	High
The nature of the sector affects the ease of leader selection	3.3298	1.29837	Average
The family size affects the ease or difficulty of selection	3.2660	1.27992	Average
The family refuses to change traditional leadership practices	3.0957	1.30400	Average
Succession is more effective when involving the community and government	2.4681	1.25896	Low
<b>Conservativeness</b>	<b>3.20</b>	<b>0.78</b>	<b>Average</b>
Family members are encouraged to gain external experience	3.3936	1.32971	Average
Future leaders are trained through a planned program	3.2021	1.25792	Average
It is clear who will succeed the current CEO	3.0213	1.32777	Average
Succession is clarified in the trust document	3.0213	1.24416	Average
Non-family members are involved in succession planning	2.5745	1.31566	Low
<b>Succession Planning</b>	<b>3.04</b>	<b>0.83</b>	<b>Average</b>
Internal rules guide how the company is managed	3.4574	1.12321	High
Boundaries between business and family interests are clear	3.3936	1.22885	Average
Strategic decisions are made through transparent institutional processes	3.3723	1.14520	Average
Decisions are made based on objective guidelines	3.3404	1.19635	Average
Management and ownership are separated within the company	3.1383	1.32471	Average
The board of directors includes non-family members	2.3723	1.35189	Low
<b>Governance</b>	<b>3.18</b>	<b>0.81</b>	<b>Average</b>
The next generation is willing to learn and assume leadership	3.6489	1.25044	High
The criterion for succession is competence, not kinship	3.6383	1.24305	High
The current generation manages the company and influences succession planning decisions	3.5638	1.14120	High

The nature of the company's work affects the ease of generational succession	3.5532	1.17882	High
The successor was trained and qualified before assuming leadership	3.4681	1.20663	High
The number of family members affects leader selection	3.3191	1.23752	Average
Succession plans adjust based on growth and performance	3.2872	1.09370	Average
The company was not negatively affected after leadership transition	3.2872	1.16048	Average
The process of transition from one generation to another runs smoothly	3.1702	1.19711	Average
Programs exist to develop young family leaders	3.0957	1.25355	Average
<b>Generational Succession Process</b>	<b>3.40</b>	<b>0.75</b>	<b>High</b>
<b>Total Score: The Determinants of Succession in Family Businesses – The Case of Hebron</b>	<b>3.1723</b>	<b>0.60387</b>	<b>Average</b>

The data shown in the table indicate that the overall level of the determinants of generational succession in family businesses in Hebron was moderate, with a mean score of (3.1723) and a standard deviation of (0.60387). The items within each dimension were ranked in descending order according to their mean values, as displayed in the table above.

## 4.2 Testing the Study Hypotheses

**H1: Openness of family members positively influences successful succession in family businesses.**

To test this hypothesis, the researcher employed simple linear regression analysis to examine the relationship between the independent variable—family members' openness—and the dependent variable—successful succession in family businesses. The statistical results are presented in Table (10).

The results show that the value of  $F = 45.267$  at a significance level of  $\text{Sig} = 0.000$ , which is less than  $\alpha = 0.05$ . Therefore, the null hypothesis is rejected in favor of the alternative hypothesis. This indicates that the dependent variable, representing successful succession in

family businesses, is significantly affected by the independent variable, family members' openness.

Table (10): Results of the regression analysis test for Openness of family members positively influences successful succession in family businesses.

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.574 <sup>a</sup>	.330	.322	.62190		
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.507	1	17.507	45.267	.000 <sup>b</sup>
	Residual	35.582	92	.387		
	Total	53.089	93			
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.611	.274		5.882	.000
	MeanA01	.639	.095	.574	6.728	.000

The coefficient of determination ( $R^2 = 0.330$ ) reveals that the independent variable explains 33% of the total variance in successful succession, while the remaining 67% is attributed to other variables outside the scope of this study. Accordingly, the researcher concludes that family members' openness has a positive influence on successful succession in family businesses.

Based on the regression slope test, the results further indicate that the value of  $T = 6.728$  at  $\text{Sig} = 0.000$  is less than  $\alpha = 0.05$ , confirming once again that family members' openness significantly affects successful succession. The regression equation can be expressed as:  $Y = 1.611 + 0.639X$

Hence, it can be concluded that family members' openness exerts a positive and statistically significant impact on the success of generational succession in family businesses.

Moreover, using Pearson correlation analysis to examine the relationship between family members' openness and successful succession, the results presented in Table (11) further confirm the existence of a strong and positive correlation between the two variables.

Table No. (11): Pearson correlation coefficient showing the relationship between the openness of family members and successful succession in family businesses

Domain	Correlation coefficient R	Significance level
The relationship between openness among family members and successful succession in family businesses	0.574	0.000

The results presented in the previous table indicate a relationship between family openness and successful succession in family businesses. The Pearson correlation coefficient reached (0.574), which represents a high correlation at a significant level (Sig = 0.000). This finding confirms the existence of a positive relationship between the openness of family members and successful succession in family businesses. Accordingly, the dependent variable (successful succession) is influenced by the independent variable (family openness).

Based on the consistency of the three statistical tests conducted, the researcher concluded that family openness has a significant and positive effect on successful succession in family businesses. In other words, the greater the degree of openness among family members, the higher the likelihood of achieving successful generational succession.

**H2: Conservativeness negatively affects successful succession in family businesses.**

To test this hypothesis, the researcher employed simple linear regression analysis to examine the relationship between the independent variable—family members' conservativeness—and the dependent variable—successful succession in family businesses. The results of the statistical analysis are presented in Table (12).

The findings show that the value of  $F = 18.881$  with a significance level ( $\text{Sig} = 0.000$ ), which is less than ( $\alpha = 0.05$ ). Therefore, the null hypothesis is rejected in favor of the alternative hypothesis, indicating that the dependent variable (successful succession in family businesses) is significantly affected by the independent variable (family members' conservativeness).

Table (12): Results of the regression analysis test for Conservativeness negatively affects successful succession in family businesses.

Model Summary						
Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	
1	.413 <sup>a</sup>	.170	.161		.69195	
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.040	1	9.040	18.881	.000 <sup>b</sup>
	Residual	44.049	92	.479		
	Total	53.089	93			
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.127	.302		7.034	.000
	MeanA02	.399	.092	.413	4.345	.000

The coefficient of determination ( $R^2$ ) was 0.170, meaning that the independent variable explains 17% of the variance in successful succession, while the remaining 83% is attributed to other variables beyond the scope of this study. Accordingly, the researcher concluded that family conservativeness has a positive effect on successful succession, as indicated by the positive slope coefficient in the regression equation.

Furthermore, the t-test result ( $T = 4.345$ ,  $\text{Sig} = 0.000$ ) supports this conclusion, confirming that the relationship between family conservativeness and successful succession is statistically significant at the 0.05 level. The regression equation is:  $Y = 2.127 + 0.399X$ . This equation shows that an increase in family conservativeness leads to an increase in successful succession in family businesses.

Table No. (13): Pearson correlation coefficient showing the relationship between family conservatism and successful succession in family businesses

Domain	Correlation coefficient R	Significance level
The relationship between family conservatism and successful succession in family businesses	0.413	0.000

Additionally, the Pearson correlation coefficient test (Table 13) was used to further examine the strength and direction of the relationship between the two variables. The results revealed a positive and statistically significant correlation ( $r = 0.413$ ,  $\text{Sig} = 0.000$ ), indicating a strong positive relationship between family conservativeness and successful succession.

Based on the consistency of the results across all three tests (regression, t-test, and correlation analysis), the researcher confirmed that family members' conservativeness positively influences successful succession in family businesses in Hebron. This suggests that maintaining traditional family values, stability, and cohesion enhances the likelihood of effective generational transition and business continuity.

**H3: Succession planning positively influences successful succession in family businesses.**

To test this hypothesis, the simple linear regression analysis was employed to examine the relationship between the independent variable—succession planning—and the dependent variable—successful succession in family businesses. The statistical results, presented in Table (14) show that the value of  $F = 42.899$  with a significance level of  $\text{Sig} = 0.000$ , which is less than  $\alpha = 0.05$ . Therefore, the null hypothesis is rejected in favor of the alternative hypothesis, indicating that successful succession in family businesses is significantly influenced by succession planning.

Table (14): Results of the regression analysis test for Succession planning positively influences successful succession in family businesses.

Model Summary						
Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	
1	.564 <sup>a</sup>	.318	.311		.62733	
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.883	1	16.883	42.899	.000 <sup>b</sup>
	Residual	36.206	92	.394		
	Total	53.089	93			
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.838	.248		7.428	.000
	MeanA03	.514	.079	.564	6.550	.000

The coefficient of determination ( $R^2 = 0.318$ ) shows that succession planning explains 31.8% of the total variance in successful succession, while the remaining 68.2% can be attributed to other factors beyond the scope of this study. Hence, it can be concluded that succession planning positively affects the success of generational succession in family firms.

Furthermore, the slope test (t-test) was used to examine the impact of succession planning on successful succession. The results reveal  $T = 6.550$  and  $Sig = 0.000 < 0.05$ , leading to rejection of the null hypothesis and confirming a significant positive effect. The regression equation was formulated as  $Y = 1.838 + 0.514X$ , further supporting the conclusion that succession planning positively influences successful succession in family businesses.

In addition, the Pearson correlation coefficient was calculated to determine the strength and direction of the relationship between succession planning and successful succession, as shown in Table (15).

Table No. (15): Pearson correlation coefficient showing the relationship between succession planning and successful succession in family businesses

Domain	Correlation coefficient R	Significance level
The relationship between succession planning and successful succession in family businesses	0.564	0.000

The results indicate a positive and statistically significant correlation ( $r = 0.564$ ,  $\text{Sig} = 0.000$ ), suggesting that higher levels of succession planning are associated with higher levels of successful succession in family firms.

Based on the consistency of results across the three statistical tests—regression, t-test, and correlation—the study confirms that succession planning has a significant and positive effect on successful succession in family businesses.

**H4: Governance mechanisms positively influence successful succession in family businesses.**

To verify this hypothesis, the researcher employed simple linear regression to examine the relationship between the independent variable (governance mechanisms) and the dependent variable (successful succession in family businesses). The results of the statistical analysis, as shown in Table (15), indicate that the value of  $F = 55.906$  with a significance level of  $\text{Sig} = 0.000$ , which is less than  $\alpha = 0.05$ . Accordingly, the null hypothesis is rejected in favor of the alternative hypothesis.

This result implies that the dependent variable (successful succession in family businesses) is significantly affected by the independent variable (governance mechanisms). Furthermore, the

coefficient of determination,  $R^2 = 0.378$ , indicates that governance mechanisms explain 37.8% of the variance in successful succession, while the remaining 62.2% is attributable to other variables beyond the scope of this study. Therefore, it can be concluded that governance mechanisms have a positive impact on successful succession in family businesses.

Table (16): Results of the regression analysis test for Governance mechanisms positively influence successful succession in family businesses.

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.615 <sup>a</sup>	.378	.371	.59911		
ANOVA <sup>a</sup>						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.067	1	20.067	55.906	.000 <sup>b</sup>
	Residual	33.022	92	.359		
	Total	53.089	93			
Coefficients <sup>a</sup>						
	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.573	.252		6.233	.000
	MeanA04	.576	.077	.615	7.477	.000

Based on the regression slope test, the value of  $T = 7.477$  at a significance level of  $\text{Sig} = 0.000$  (less than  $\alpha = 0.05$ ) also supports rejecting the null hypothesis in favor of the alternative one. The regression equation is expressed as  $Y = 1.573 + 0.576X$ , confirming that governance mechanisms positively influence successful succession in family businesses.

Additionally, the results of the **Pearson correlation coefficient**, presented in **Table (16)**, Show a correlation value of 0.615 with a significance level of  $\text{Sig} = 0.000$ , indicating a strong positive and statistically significant relationship between governance mechanisms and successful succession in family businesses. This means that as governance mechanisms improve, the level of successful succession also increases.

Table 17: Pearson correlation coefficient showing the relationship between governance mechanisms and successful succession in family businesses

Domain	Correlation coefficient R	Significance level
The relationship between governance mechanisms and successful succession in family businesses	0.615	0.000

Based on the consistency among the three statistical tests—regression, t-test, and correlation analysis—the researcher concludes that governance mechanisms exert a positive and significant influence on successful generational succession in family businesses.

**H5: Succession success differs significantly across firm demographic characteristics, including firm size, growth rate, generational stage, and leader gender**

**First: Firm Size**

To verify the validity of the previous hypothesis, a One-Way ANOVA test was used to examine the differences in the respondents’ perceptions regarding whether succession success significantly differs across the demographic characteristics of the firm attributed to the firm size variable. The results obtained are presented in Table (19).

Table (18) Results of the One-Way ANOVA test for differences in the study's graph regarding the significant difference in succession success across the company's demographic gains attributed to the firm size variable

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.180	3	.060	.160	.923
Within Groups	33.734	90	.375		
Total	33.914	93			

The data shown in the previous table indicate that the calculated value of  $F = 0.16$ , with a significance level of  $Sig = 0.923$ , which is greater than  $\alpha = 0.05$ . Therefore, the alternative hypothesis is rejected in favor of the null hypothesis. Accordingly, the researcher concluded

that there are no statistically significant differences in the respondents' views concerning the variation in succession success across the firm's demographic characteristics that can be attributed to firm size.

Table 20 presents the frequencies, means, and standard deviations of the respondents' opinions regarding whether succession success significantly differs across firm demographic characteristics attributed to firm size.

Table (19) shows the numbers, arithmetic means, and standard deviations in the opinions of the study sample regarding the success of succession, which varies significantly across the company's demographic characteristics, attributed to firm size variable.

	Mean	Std. Deviation
<b>Less than 10</b>	<b>3.1584</b>	<b>.60618</b>
<b>10 - 50</b>	<b>3.2195</b>	<b>.62797</b>
<b>51 - 100</b>	<b>3.0806</b>	<b>.73053</b>
<b>More than 100</b>	<b>3.1032</b>	<b>.08350</b>
<b>Total</b>	<b>3.1723</b>	<b>.60387</b>

**Second: Growth Rate**

To test the validity of the previous hypothesis, the One-Way ANOVA test was used to examine the differences in the respondents' perceptions regarding the variation in succession success across the company's demographic characteristics attributable to the growth rate variable. The researcher obtained the results shown in Table (20).

Table (20) Results of the One-Way ANOVA test for differences in the study's graph regarding the significant difference in succession success across the company's demographic gains attributed to the growth rate variable

	Sum of Squares	df	Mean Square	F	Sig.
<b>Between Groups</b>	<b>.407</b>	<b>2</b>	<b>.204</b>	<b>.553</b>	<b>.577</b>
<b>Within Groups</b>	<b>33.506</b>	<b>91</b>	<b>.368</b>		
<b>Total</b>	<b>33.914</b>	<b>93</b>			

The data presented in the previous table indicate that the calculated F-value ( $F = 0.553$ ) and the corresponding significance level ( $Sig = 0.577$ ) are greater than the alpha level (0.05). Therefore, the alternative hypothesis is rejected in favor of the null hypothesis. Accordingly, the researcher concluded that there are no statistically significant differences in the respondents' perceptions regarding the variation in succession success across the company's demographic characteristics attributable to the growth rate variable.

Furthermore, Table (22) presents the frequencies, means, and standard deviations of the respondents' opinions concerning the variation in succession success across the company's demographic characteristics according to the growth rate variable.

Table 21 shows the numbers, arithmetic means, and standard deviations in the opinions of the study sample regarding the success of succession, which varies significantly across the company's demographic characteristics, attributed to growth rate variable

	<b>Mean</b>	<b>Std. Deviation</b>
<b>Exactly</b>	<b>3.2252</b>	<b>.69162</b>
<b>Slowly</b>	<b>3.1078</b>	<b>.45646</b>
<b>Stumble</b>	<b>3.0081</b>	<b>.44416</b>
<b>Total</b>	<b>3.1723</b>	<b>.60387</b>

**Third: Generational Stage**

To test the validity of the previous hypothesis, a One-Way ANOVA test was employed to examine whether there were statistically significant differences in the respondents' perceptions of succession success across the firm's demographic characteristics attributed to the generational stage variable. The results are presented in Table (23).

Table (22) Results of the One-Way ANOVA test for differences in the study's graph regarding the significant difference in succession success across the company's demographic gains attributed to the generational stage variable

	Sum of Squares	df	Mean Square	F	Sig.
<b>Between Groups</b>	<b>2.787</b>	<b>3</b>	<b>.929</b>	<b>2.687</b>	<b>.051</b>
<b>Within Groups</b>	<b>31.126</b>	<b>90</b>	<b>.346</b>		
<b>Total</b>	<b>33.914</b>	<b>93</b>			

The findings in the table indicate that the calculated F-value ( $F = 2.687$ ) is greater than the alpha level (0.05), and the significance level (Sig = 0.051) is greater than 0.05. Therefore, the alternative hypothesis is rejected in favor of the null hypothesis, indicating that there are no statistically significant differences in the respondents' opinions regarding succession success across the firm's demographic characteristics attributable to the generational stage.

Furthermore, Table 23 presents the means and standard deviations of the respondents' views regarding whether succession success significantly differs across the firm's demographic characteristics, attributed to the generational stage.

Table 23 shows the numbers, arithmetic means, and standard deviations of the study sample's opinions on succession success, which vary significantly across the company's demographic characteristics, attributed to the generational stage variable.

	Mean	Std. Deviation
<b>First generation</b>	<b>3.2630</b>	<b>.81166</b>
<b>second generation</b>	<b>3.1735</b>	<b>.46874</b>
<b>third generation</b>	<b>3.1903</b>	<b>.48674</b>
<b>Subsequent generation</b>	<b>2.2473</b>	<b>.49380</b>
<b>Total</b>	<b>3.1723</b>	<b>.60387</b>

#### **Fourth: Gender**

To verify the previous hypothesis, an Independent Samples T-Test was employed to examine whether succession success differs significantly across firm demographic characteristics associated with the leader's gender, Table 24.

Table (24): Gender based differences (Independent Sample t-test)

Gender	Number	Mean	Standard Deviation	DF	Calculated T-value	Significance Level
Male	86	3.2206	0.87639	93	2.621	0.010
Female	8	2.6532	0.68857			

The data in the table indicate that the calculated T-value was ( $T = 2.621$ ) and the corresponding significance value was ( $Sig = 0.010$ ), which is less than the alpha level ( $0.05$ ). Therefore, the alternative hypothesis is accepted. The mean score for male respondents was ( $M = 3.2206$ ), while for female respondents it was ( $M = 2.6532$ ). Accordingly, it can be concluded that there are statistically significant differences in the responses of the study sample concerning succession success across firm demographic characteristics due to the leader's gender.

### **Fifth: The effect of all four independent variables**

(Family openness, family conservatism, succession planning, and governance mechanisms) on the dependent variable succession in family firms. To test the main hypothesis, a multiple linear regression analysis was conducted to examine the effect of all four independent variables (family openness, family conservatism, succession planning, and governance mechanisms) on the dependent variable (successful succession in family firms), as shown in Table (25).

It is noted from the Table 25 the data contained therein that the simple regression model representing the effect of all four independent variables (family openness, family conservatism, succession planning, and governance mechanisms) is statistically significant: the calculated F value is 23.414 with a significance level of 0.000, which is less than the level ( $\alpha \leq 0.05$ ), confirming the adequacy of the study model. The coefficient of determination  $R^2 = 0.513$ , which

explains 51.3% of the variance in successful succession in family firms attributable to all four independent variables (represented by the determinants of generational succession in family firms), while the remaining 48.7% is due to other variables and factors. It is noted that the t-test value for the independent variable (family openness) is 3.465 with a significance level of 0.001, which is less than the level ( $\alpha \leq 0.05$ ), confirming that the independent variable (family openness) has an effect on successful succession in family firms. In contrast, the t-test value for the independent variable (family conservatism) is 1.004, with a significance level of 0.318, which exceeds the level ( $\alpha \leq 0.05$ ), indicating that the independent variable (family conservatism) does not have an effect on successful succession in family firms. The t-test value for the independent variable (succession planning) is 1.899 with a significance level of 0.061, which is greater than the level ( $\alpha \leq 0.05$ ), indicating that the independent variable (succession planning) does not have an effect on successful succession in family firms. Accordingly, the null hypothesis was rejected and the alternative hypothesis accepted, which states that the four independent variables (family openness, family conservatism, succession planning, and governance mechanisms) affect successful succession in family firms. The regression equation is:  $W = 0.712 + 0.347X + 0.083Y + 0.178Z$ .

So Table (25) provides additional evidence regarding the relative influence of the independent variables on succession success. The results confirm that family openness and governance mechanisms remain statistically significant predictors, while succession planning shows a marginal positive effect and conservativeness remains non-significant. This table strengthens the robustness of the overall model and highlights the nuanced role of succession planning, which may require larger samples or more refined measures to demonstrate stronger statistical significance.

Table (25): Results of the Multiple Linear Regression Analysis of the Effect of the Four Independent Variables (openness, conservatism, succession planning, and governance) on the Dependent Variable (successful succession)

Variables Entered/Removed <sup>a</sup>						
Model	Variables			Method		
	Variables Entered	Removed				
1	MeanA04, MeanA02, MeanA01, MeanA03 <sup>b</sup>	.		Enter		
Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.716 <sup>a</sup>	.513	.491	.53912		
ANOVA <sup>a</sup>						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.221	4	6.805	23.414	.000 <sup>b</sup>
	Residual	25.868	89	.291		
	Total	53.089	93			
Coefficients <sup>a</sup>						
	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.712	.296		2.404	.018
	MeanA01	.347	.100	.312	3.465	.001
	MeanA02	.083	.083	.086	1.004	.318
	MeanA03	.178	.094	.195	1.899	.061
	MeanA04	.286	.099	.306	2.891	.005
a. Dependent Variable: MeanB						

- **Independent variable:** All four independent variables
- **Dependent variable:** Successful succession in family firms
- **Mediator variable:** Determinants of generational succession
- **C:** Regression constant (intercept)

### 4.3 Results:

- The overall level of generational succession determinants in family businesses in Hebron was found to be moderate.
- The openness of family members has a positive effect on successful succession in family businesses. The results indicate that openness among family members has a significant

impact on the effectiveness of succession. This aligns with Flynn and Chatman (2001), who emphasized that openness enhances communication and trust, enabling smoother leadership transition. Additionally, Liu (2018) noted that the absence of openness increases conflict and delays decision-making, which is consistent with the current statistical findings. In the Palestinian context, these results are further supported by Baidoun and Lussier (2018), who demonstrated that openness strengthens adaptability and organizational resilience in unstable environments.

- The conservativeness of family members has a positive effect on successful succession in family businesses. This finding aligns with Hiebl (2015), who argued that conservativeness can provide emotional and organizational stability during generational transition. Similarly, Habash and Baidoun (2024) confirmed that traditional family values reinforce cohesion and reduce friction throughout the succession process.
- Succession planning has a positive and significant effect on successful succession in family businesses. The statistical results confirm that succession planning plays a pivotal role in supporting smooth generational transition. This is consistent with Chen et al. (2014), who highlighted the importance of early preparation, role clarification, and successor development. Likewise, Eddleston and Powell (2008) stressed that formalized planning minimizes transitional risks. More recent evidence from Hsueh et al. (2023) and Maseda et al. (2023) further affirms that structured training programs and written procedures enhance successor readiness.
- Governance mechanisms have a positive and significant effect on successful succession in family businesses. The findings indicate that governance has the strongest positive influence, explaining 37.8% of the variance in succession success. This result corresponds with Suess-Reyes (2017), who argued that well-defined governance structures reduce internal conflicts and improve decision-making processes during leadership transition. Similarly, Steier, Chrisman, and Chua (2015) emphasized that

separating ownership from management and adopting formal governance policies strengthens long-term continuity. In the Palestinian context, Basiouni and Baidoun (2019) and Basha and Basiouni (2022) also confirmed that weak governance structures remain a major obstacle to effective succession in local family firms.

- There are no statistically significant differences in the respondents' perceptions of succession success attributable to firm size, growth rate, or generational stage.
- However, there are statistically significant differences attributable to the leader's gender. This finding is consistent with Sekaran and Bougie (2019) and Yezza et al. (2021), who noted that demographic variables do not consistently predict succession outcomes, as the core determinants are behavioral and structural. Furthermore, the finding that male-led firms report higher succession success aligns with the results of Nelson (2017), Al-Shanawi (2021), Al-Shaibani (2023), and Barakat (2023), all of whom documented cultural constraints that limit female leadership roles in family businesses within Arab societies
- The evidence from Table (25) underscores that family openness and governance mechanisms are the most reliable predictors of succession success in Hebron's family firms. In practical terms, this suggests that business owners should invest in fostering open dialogue among family members and institutionalizing governance structures such as family councils, documented role descriptions, and transparent decision-making procedures. These recommendations are consistent with Flynn & Chatman (2001) and Liu (2018), who emphasized the role of openness in building trust and communication, and with Suess-Reyes (2017) and Steier, Chrisman & Chua (2015), who highlighted governance as a safeguard against conflict. Although succession planning showed only a marginal positive effect, firms are advised to continue developing structured mentoring and training programs, as recent studies (Hsueh et al., 2023; Maseda et al.,

2023) confirm that planning remains essential, even if its statistical impact requires larger samples or more refined measures to be fully evident.

In summary, Chapter Four presented the statistical analysis and empirical results of the study. The findings confirmed the significant influence of openness, conservativeness, succession planning, and governance mechanisms on successful succession in family businesses in Hebron. At the same time, demographic variables such as firm size, growth rate, and generational stage showed no significant differences, except for leader gender. These results provide empirical support for the theoretical framework outlined in Chapters One and Two and set the stage for Chapter Five, which discusses the study's implications, recommendations, and contributions.

# Chapter Five

## Conclusions and Recommendations

### 5.1 Introduction

In this chapter, I interpret and critically discuss the study's empirical findings in light of the theoretical framework and prior literature. Building on the results presented in Chapter Four, I move beyond statistical significance to provide analytical explanations of how and why the identified variables influence the success of succession in Palestinian family businesses, particularly in Hebron.

This chapter reflects my analytical position as a researcher seeking to connect governance structures, socioemotional dynamics, and cultural context into a coherent explanation of succession outcomes.

### 5.2 Discussion of the Findings

#### 5.2.1 Overall level of factors influencing succession

The purpose of this study was to examine the determinants of succession success in Palestinian family businesses by integrating Corporate Governance Theory, Socioemotional Wealth (SEW) Theory, and the GLOBE cultural framework. The empirical findings provide several important insights

The results revealed that the overall level of succession determinants in family businesses in Hebron was moderate, with a mean score of (3.1723). This finding suggests that succession is not absent nor fully institutionalized; rather, it exists in a transitional state where certain elements—particularly governance practices and succession planning—are present but not yet

systematically embedded within organizational structures. From a research perspective, this reflects a nuanced reality: family firms in Hebron demonstrate awareness of the importance of structured succession, yet implementation remains uneven and often influenced by contextual and cultural considerations.

In interpreting this result, I view the moderate level not as a weakness, but as an indicator of developmental potential. It signals that these firms possess foundational mechanisms that can be strengthened through formalization, strategic planning, and clearer governance frameworks. At the same time, the finding implicitly highlights the continuing influence of traditional norms, informal decision-making patterns, and external economic pressures that shape managerial behavior. Thus, the result captures a balanced picture of continuity and change—where intention toward organized succession exists, but further institutional maturity is required to ensure consistently smooth and sustainable leadership transitions

## **5.2.2 Discussion of hypotheses**

Hypothesis Testing and Theoretical Interpretation

### **H1: Openness Positively Influences Successful Succession**

This finding is interpreted through the lens of Socioemotional Wealth (SEW) Theory. The statistical analysis confirmed a significant positive effect of openness on succession success. Items reflecting openness—such as the continuity of firm performance after succession and the managerial competence of the next generation—recorded moderate mean values, suggesting that although communication and transparency are present, they are not yet fully institutionalized.

From a SEW perspective, openness strengthens trust, reinforces family cohesion, and enhances relational capital among family members. Transparent dialogue and willingness to consider merit-based criteria reduce intra-family conflict and foster collective commitment to continuity.

In the context of Hebron's family firms, openness appears to function as a socioemotional stabilizer that facilitates smoother leadership transitions.

Link to prior research: This result aligns with Flynn and Chatman (2001), who emphasized transparent communication during leadership transitions, and Liu (2018), who identified openness as a key resilience factor under uncertainty.

## **H2: Conservativeness Negatively Affects Successful Succession**

(Empirical Result: Positive Relationship)

Although the hypothesis predicted a negative relationship, the empirical results revealed a significant positive association between conservativeness and succession success. This outcome is best understood through SEW Theory, interpreted within the cultural context of Hebron.

While Western literature often associates conservativeness with rigidity and resistance to change, in Hebron's collectivist and tradition-oriented environment, adherence to family values and continuity norms strengthens trust and legitimacy. Conservativeness in this context does not necessarily imply resistance to progress; rather, it reflects commitment to lineage-based authority, stability, and preservation of family identity.

SEW Theory suggests that excessive attachment to tradition may hinder adaptation. However, in this setting, conservativeness functions as a protective mechanism that preserves socioemotional wealth and reinforces intergenerational cohesion, thereby supporting leadership continuity.

Link to prior research: This finding diverges from Hiebl (2015), who framed conservativeness as a constraint, but is consistent with SEW-based interpretations in collectivist societies where tradition enhances socioemotional stability.

### **H3: Succession Planning Positively Influences Successful Succession**

This hypothesis is interpreted through Corporate Governance Theory. The regression analysis, t-tests, and correlation results consistently demonstrated a strong positive effect of succession planning on succession success.

Practices such as early identification of successors, structured mentoring, leadership development, and documented transition procedures significantly contributed to smoother leadership transfer. Despite this strong effect, mean values indicate that many firms still lack formal, written succession plans, suggesting that planning remains partially informal.

Corporate Governance Theory emphasizes accountability, role clarity, and transparency. In Hebron's family firms, succession planning reduces uncertainty, minimizes role ambiguity, and balances authority distribution between generations, thereby strengthening continuity and institutional stability.

Link to prior research: This finding supports Chen et al. (2014), who demonstrated that structured succession planning enhances continuity, and Eddleston and Powell (2008), who emphasized mentoring and clear role allocation.

### **H4: Governance Mechanisms Positively Influence Successful Succession**

This finding strongly supports Corporate Governance Theory. Governance mechanisms demonstrated the most substantial impact among all determinants, explaining 37.8% of the variance in succession outcomes.

Firms that implemented transparent decision-making processes, clearer separation between ownership and management, and involvement of external advisory members achieved higher levels of succession success. Governance structures reduce dependence on informal authority and personal relationships, replacing them with institutionalized procedures.

In collectivist societies such as Palestine, where interpersonal ties dominate business interactions, formal governance mechanisms—such as family councils, written constitutions, and defined role descriptions—serve as conflict-prevention tools and enhance long-term stability during leadership transitions.

Link to prior research: This finding reinforces Suess-Reyes (2017), who highlighted governance structures as mechanisms for conflict minimization, and Steier, Chrisman, and Chua (2015), who emphasized transparency and accountability in family firm continuity.

### **H5: Succession Success Differs According to Firm Demographics**

This hypothesis is interpreted through the GLOBE Cultural Framework. The findings indicate that succession success does not significantly differ according to firm size, growth rate, or generational stage, suggesting that succession challenges are relatively universal across family firms in Hebron.

However, significant differences were observed with respect to leader gender, where male-led firms reported higher succession success than female-led firms. This reflects prevailing socio-cultural norms in the Palestinian context, where patriarchal structures and traditional gender expectations influence leadership legitimacy and acceptance.

The GLOBE framework explains how dimensions such as gender egalitarianism, power distance, and collectivism shape leadership expectations. In Hebron's context, cultural norms appear to exert a stronger influence on succession outcomes than structural variables such as firm size or growth rate.

### **The effect of all four independent variables**

The results of Table (25) confirm that family openness and governance mechanisms remain the most significant independent determinants of succession success. This outcome is consistent

with Flynn & Chatman (2001) and Liu (2018), who emphasized that openness fosters trust and communication during leadership transitions, and with Suess-Reyes (2017) and Steier, Chrisman & Chua (2015), who highlighted governance as a critical tool for reducing conflict and ensuring continuity. Conversely, the non-significant effect of conservativeness aligns with Evans & Britt (2023), who argued that adherence to tradition often constrains innovation without guaranteeing successful succession. The marginal positive effect of succession planning corresponds with Chen et al. (2014), Eddleston & Powell (2008), and more recent studies (Hsueh et al., 2023; Maseda et al., 2023), which suggest that while planning is essential, its statistical impact may only become evident with larger samples or more refined measurement tools. Thus, Table (25) reinforces the conclusion that behavioral and structural determinants—particularly openness and governance—are the most reliable predictors of succession success in Palestinian family businesses.

### **Integrated Theoretical Interpretation**

The findings of this study reveal both theoretically expected and context-specific patterns when examined through the integrated framework of SEW Theory, Corporate Governance Theory, and the GLOBE Cultural Framework.

SEW Theory explains the emotional and identity-based drivers of openness and conservativeness.

Corporate Governance Theory clarifies the structural mechanisms that reduce ambiguity and institutionalize succession processes.

The GLOBE Framework contextualizes these dynamics within cultural norms related to hierarchy, collectivism, and gender roles.

Notably, the positive role of conservativeness highlights the importance of contextual adaptation of theory. In Hebron's family firms, tradition and socioemotional attachment operate as stabilizing forces rather than barriers to transition.

Overall, succession in Palestinian family businesses is best understood through an integrated approach that captures emotional (SEW), structural (governance), and cultural (GLOBE) dimensions. This multidimensional interpretation provides a comprehensive explanation of succession success and offers practical implications for policymakers and family business practitioners in similar collectivist environments

### **5.3 Conclusions**

Based on the empirical findings and the statistical analyses presented in Chapter Four, this study concludes that succession in family businesses in Hebron is a multidimensional and context-sensitive process shaped by structural, emotional, and cultural determinants.

First, the overall level of application of succession determinants in Hebron's family businesses appears to be moderate. This indicates that firms demonstrate partial institutional readiness for leadership transition; however, succession practices are not yet fully formalized or strategically embedded. This moderate level reflects a transitional stage between traditional informal practices and modern structured governance systems.

Second, openness emerges as a significant positive determinant of succession success. The findings show that higher levels of openness—manifested through transparent communication, willingness to consider external expertise, and merit-based evaluation—enhance trust among stakeholders and facilitate smoother leadership transitions. From my analytical perspective, openness functions as a bridging mechanism between traditional family values and

contemporary management requirements, reducing resistance to change while preserving relational cohesion.

Third, conservativeness, contrary to much Western literature that often associates it with rigidity, plays a supportive role in the Palestinian context. The results indicate that adherence to tradition, preservation of family legacy, and respect for hierarchical norms contribute positively to succession success. In Hebron's collectivist and tradition-oriented environment, conservativeness strengthens legitimacy, reinforces family unity, and enhances acceptance of successors. This finding confirms the cultural embeddedness of succession processes and highlights the importance of contextual interpretation.

Fourth, succession planning proves to be a critical determinant of successful leadership transition. Structured planning practices—such as early identification of successors, systematic training, mentoring, and documentation of procedures—significantly improve transition outcomes. The evidence clearly demonstrates that succession is not an event but a long-term developmental process. In my assessment, firms that institutionalize succession planning reduce uncertainty, minimize conflict, and enhance organizational continuity.

Fifth, governance mechanisms represent the strongest determinant of succession success in this study. The presence of formal structures—such as documented policies, defined roles, accountability systems, and transparent decision-making procedures—substantially increases the likelihood of a successful generational transition. This finding underscores that disciplined governance is not incompatible with family control; rather, it enhances stability and preserves socioemotional wealth through structured clarity.

Regarding moderating variables, the results reveal that firm size, growth rate, and generational stage do not significantly influence succession success. However, leader gender demonstrates

a significant effect, indicating the persistence of cultural barriers that influence leadership acceptance. This outcome reflects broader societal norms that continue to shape gender roles within family-controlled enterprises.

Sixths, the additional evidence from Table (25) strengthens the overall explanatory power of the model and highlights that openness and governance are the most consistent predictors of succession success. These findings confirm that behavioral and structural determinants outweigh purely demographic or cultural variables, thereby advancing theoretical understanding of succession in Palestinian family businesses.

Overall, the study empirically validates the proposed conceptual model. Openness, conservativeness, succession planning, and governance collectively explain succession success in Hebron's family businesses. More importantly, the findings confirm that these determinants operate within a culturally embedded framework where emotional wealth preservation and governance structures interact dynamically.

From a theoretical standpoint, this research demonstrates that succession success in Palestinian family firms cannot be explained solely through structural governance models or purely through emotional family dynamics. Rather, it emerges from the interaction between formal governance mechanisms, socioemotional wealth preservation, and culturally informed expectations regarding leadership and continuity.

In conclusion, sustainable succession in Palestinian family businesses is neither purely structural nor purely emotional; it is the outcome of disciplined governance operating within culturally embedded family systems. This study contributes theoretically by integrating Corporate Governance Theory, Socioemotional Wealth Theory, and the GLOBE cultural framework within a single empirical model. In practice, it provides evidence that traditional

family values and modern governance practices can coexist and mutually reinforce one another to ensure long-term continuity and intergenerational sustainability.

Through this integrative and contextually grounded approach, I demonstrate that succession in Hebron's family businesses represents a structured yet culturally negotiated process—one that requires strategic planning, governance discipline, and sensitivity to family identity and societal norms.

### **5.3 Recommendations**

Based solely on the empirical findings of this study and the statistically significant relationships identified in Chapter Four, the researcher recommends the following actions:

First, the findings demonstrated that Openness exerts a significant positive effect on succession success. Accordingly, the researcher recommends enhancing openness mechanisms within Palestinian family firms, particularly regarding communication transparency, participatory decision-making, and intergenerational dialogue. The results indicate that firms characterized by higher levels of open discussion and information sharing experience smoother leadership transitions. Therefore, it is recommended that family businesses institutionalize regular family meetings, establish transparent communication channels, and create structured forums dedicated to discussing succession matters. Such mechanisms reduce ambiguity, mitigate conflict, and foster trust between generations.

Second, the empirical analysis confirmed the significant role of Succession Planning in improving succession outcomes. The strength of this relationship underscores the need to move from informal, personality-based transitions to structured, documented processes. The researcher therefore recommends strengthening succession planning practices by developing formal written succession plans, clearly defined leadership criteria, and structured training programs for potential successors. Practically, family firms should draft a written succession

policy outlining eligibility requirements, evaluation standards, mentoring arrangements, and staged handover timelines. Formal planning reduces uncertainty and enhances preparedness across generational transitions.

Third, the results revealed that Governance mechanisms significantly contribute to succession success. The study confirms that formal structures help reduce dependence on informal relationships and personal authority. Based on this evidence, the researcher recommends institutionalizing governance practices by, where feasible, separating ownership from management roles, developing family constitutions, and incorporating external advisory or board members. Establishing family councils, appointing independent advisors, and formalizing decision-making procedures can enhance accountability, transparency, and long-term sustainability.

Fourth, although Conservativeness reflects the preservation of family identity and legacy, the findings suggest that excessive reliance on traditional selection norms may limit adaptive capacity. The researcher therefore recommends balancing conservativeness with innovation. Family firms should preserve core family values and traditions while simultaneously adopting modern managerial tools, merit-based evaluation systems, and innovative practices. This balanced approach allows firms to maintain socioemotional wealth while improving strategic flexibility.

Fifth, the moderating analysis highlighted the importance of Leader Gender, indicating that gender dynamics influence succession processes within the Palestinian context. Based on these findings, the researcher recommends actively supporting female leadership by promoting gender inclusivity and providing targeted developmental opportunities for daughters and female family members. Practical measures may include leadership training programs, awareness initiatives addressing cultural perceptions, and the development of inclusive leadership pipelines that expand the pool of qualified successors.

Sixth, based on the results of Table (25), family firms in Hebron should prioritize openness and governance as the most reliable determinants of succession success. Practical steps include fostering open dialogue among family members, establishing family councils, documenting role descriptions, and ensuring transparent decision-making procedures. Although succession planning showed only a marginal effect, firms are advised to continue investing in structured mentoring and training programs, as recent studies (Hsueh et al., 2023; Maseda et al., 2023) confirm that planning remains essential even if its statistical impact requires larger samples or more refined measures to be fully evident.

Finally, given the long-term nature of succession processes, the researcher recommends implementing continuous leadership development programs for younger family members. The study findings suggest that succession success is strengthened when successors are prepared gradually rather than appointed abruptly. Accordingly, family firms should introduce structured job rotation, external professional placements, mentorship arrangements, and progressive responsibility assignments to build a sustainable leadership pipeline.

Overall, the researcher emphasizes that succession success in Palestinian family businesses is not the result of a single factor, but rather the outcome of an integrated system combining openness, governance formalization, structured planning, cultural awareness, and leadership development. The recommendations provided above are directly derived from the empirical results and are aligned with the theoretical framework adopted in this study. Their implementation can contribute not only to improved succession outcomes but also to the long-term continuity and competitiveness of family firms in Hebron and similar socio-cultural environments.

## 5.4 Suggestions for Future Research

Building upon the findings of this study and reflecting on its theoretical and contextual boundaries, the researcher proposes several avenues for future investigation to further advance knowledge on succession dynamics in Palestinian family businesses.

First, future studies are encouraged to examine external environmental factors that were beyond the scope of the present research, such as political instability, economic uncertainty, and market volatility. Given the unique socio-political environment in Palestine, particularly in Hebron, incorporating macro-level variables may provide a more comprehensive understanding of how contextual turbulence interacts with governance structures and succession-planning processes. The researcher believes that integrating environmental uncertainty into the analytical model could significantly enrich explanations of succession outcomes.

Second, while this study employed a quantitative methodology to ensure statistical rigor and generalizability, future research could adopt qualitative or mixed-methods approaches. In-depth interviews, longitudinal case studies, or ethnographic methods would allow scholars to explore family narratives, emotional dynamics, interpersonal trust, and conflict resolution mechanisms during leadership transitions. Such approaches would capture the nuanced socioemotional processes that cannot be fully revealed through structured questionnaires alone.

Third, expanding the geographical scope beyond Hebron to include other Palestinian cities such as Ramallah, Nablus, and Gaza would enhance comparative analysis and strengthen external validity. The researcher anticipates that regional cultural variations and differing economic structures may produce distinct succession patterns, thereby offering richer theoretical insights and improving generalizability across Palestinian family firms.

Fourth, future research should investigate gender-related cultural barriers more comprehensively. Although this study incorporated Leader Gender as a moderating variable,

deeper exploration of patriarchal norms, societal expectations, and informal institutional constraints is necessary to understand the structural limitations facing female successors. The researcher encourages longitudinal and culturally embedded studies that examine how gender egalitarianism evolves within family business systems over time.

Fifth, the results of Table (25) highlight the need for future research to examine succession planning with more sophisticated methodologies. Larger samples, longitudinal designs, and advanced analytical techniques such as Structural Equation Modeling (SEM) could provide deeper insights into the interaction between openness, governance, and planning. Moreover, future studies should explore contextual moderators—such as firm size, generational stage, and gender dynamics—to better understand how these variables shape the effectiveness of succession strategies in Palestinian family businesses.

Finally, subsequent studies may test additional mediating and moderating variables to further refine the theoretical model. Constructs such as emotional capital, entrepreneurial orientation, leadership style, cultural intelligence, or strategic adaptability may provide a more integrative understanding of succession success. Introducing these variables could help bridge Corporate Governance Theory, Socioemotional Wealth (SEW) Theory, and cultural frameworks in a more dynamic explanatory structure.

In conclusion, future research in these directions will not only deepen theoretical development but also provide practical implications for policymakers, family business advisors, and institutional stakeholders in Palestine and the broader Middle Eastern context. The researcher believes that continued scholarly attention to succession in family firms is essential for sustaining economic resilience and intergenerational continuity in emerging and politically complex environments.

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# Appendix

## Questionnaire in English

### The factors influencing succession in family business: the case of Hebron



Dear Participant,

This questionnaire is part of a Master's thesis in Administrative Sciences at Palestine Polytechnic University. The study aims to understand the factors influencing successful succession in family businesses (and their impact on the continuity and performance of these firms).

All collected data will be used solely for academic purposes and will be kept strictly confidential. Participation is voluntary, and you can withdraw at any time.

This questionnaire will take approximately 10–15 minutes to complete. Your participation is greatly appreciated, as your responses will offer valuable insights into leadership transition in family businesses. All responses are anonymous and used exclusively for academic research.

Thank you:

#### Section One: Demographic Characteristics

Item	Response
Are you a member of the family?	Yes ( ) No ( )
Which generation do you belong to?	First / Second / Third / Later: .....
Which generation currently manages the company?	First / Second / Third / Later: .....
Gender of the current company leader	Male ( ) Female ( )
Number of family members working in the company	Sons ( ) Daughters ( )
Do you hold a managerial role in the company?	Yes / No
How many years has your family business been operating?	Less than 5 years / 5–10 years / 11–20 years / More than 20 years

Item	Response
Number of employees in the company	Less than 10 / 10–50 / 51–100 / More than 100
Nature of the company's business	Agricultural / Industrial / Commercial / Services / Other ( )
Does the company grow according to the founders' plans?	Fully ( ) Slowly ( ) Struggling ( )

## Section Two: The factors influencing succession

Please score your level of agreement with the following statements from **1 (Strongly Disagree)** to **5 (Strongly Agree)**

### Openness

Statement	1	2	3	4	5
Management has been successfully changed within the company					
The new generation possesses the necessary managerial skills					
The company continued to perform well after the succession					
There are many discussions among family members regarding leadership					
There is transparency in making leadership transition decisions					

### Conservativeness

Statement	1	2	3	4	5
The nature of the sector's operation affects the ease of selecting the leader					
The family size affects the ease or difficulty of leader selection					
Succession is more effective when involving the community and government					
The family prefers to select leaders from within the family					
The family refuses to change traditional leadership practices					

### Succession Planning

Statement	1	2	3	4	5
The leadership transition is clarified in a trust document					
Future leaders are trained through a structured program					
It is clear who will succeed the current CEO					
Family members are encouraged to gain external experience					
Non-family members are involved in succession planning					

## Governance

Statement	1	2	3	4	5
Internal rules guide how the company is managed.					
Decisions are made based on objective guidelines.					
The Board of Directors includes non-family members.					
Management and ownership are separated within the company.					
Strategic decisions are made through transparent institutional processes.					
Boundaries between business and family interests are clearly defined.					

## Succession

Statement	1	2	3	4	5
The transition from one generation to another runs smoothly					
The company was not negatively affected after the leadership transitioned to the new generation					
The next generation has the desire to learn and assume leadership					
The successor (heir) has been trained and qualified before assuming leadership					
Succession is based on competence rather than kinship					
The current generation manages the company and influences leadership transition planning					
Succession plans adjust based on growth and performance					
The nature of the company's business affects the ease of generational succession					
The number of family members affects the selection of the leader					
Programs exist to develop young family leaders					

## العوامل المؤثرة في تعاقب الأجيال في الشركات العائلية: حالة مدينة الخليل

استبيان

عزيزي المشارك، هذا الاستبيان جزء من رسالة ماجستير في العلوم الإدارية في جامعة بوليتكنك فلسطين. تهدف الدراسة إلى فهم العوامل المؤثرة في نجاح التعاقب في الشركات العائلية وتأثيرها على استمرارية ونجاح هذه الشركات.

جميع البيانات التي يتم جمعها ستستخدم لأغراض أكاديمية فقط وستعامل بسرية تامة. المشاركة طوعية ويمكنك التوقف في أي وقت.

شكراً لك: سيستغرق الاستبيان من 10 إلى 15 دقيقة. نحن نقدر مشاركتك ومساهمته في هذه الدراسة. ستساعدنا إجاباتك في الحصول على رؤى قيمة حول انتقال القيادة في الشركات العائلية. البيانات ستكون مجهولة المصدر وتستخدم لأغراض أكاديمية فقط.

الجزء الأول: الخصائص الديموغرافية

السؤال	الإجابة
أنت أحد أفراد العائلة؟	( ) نعم ( ) لا
أنا من الجيل؟	الجيل الأول / الثاني / الثالث / أو لاحق
أي جيل يدير الشركة حالياً؟	الجيل الأول / الثاني / الثالث / أو لاحق
ما جنس المسؤول الحالي للشركة؟	( ) ذكر ( ) أنثى
عدد أفراد العائلة العاملين في الشركة	( ) أولاد ( ) بنات
لديك دور إداري في الشركة؟	نعم / لا
منذ كم سنة تعمل شركتكم العائلية؟	أقل من 5 سنوات 5-10 سنوات 11-20 سنة أكثر من 20 سنة
عدد الموظفين في الشركة	أقل من 10 10-50 51-100 أكثر من 100
طبيعة عمل الشركة	زراعي / صناعي / تجاري / خدمات / غير ذلك ( )
تنمو الشركة حسب خطط المؤسسين لها	تماماً ( ) ببطء ( ) تتعثر ( )

### الجزء الثاني: محددات تعاقب الأجيال

يرجى تقييم مدى موافقتك على العبارات التالية من 1 (لا أوافق بشدة) إلى 5 (أوافق بشدة)

### الانفتاح

العبرة	1	2	3	4	5
تم تغيير الإدارة بنجاح داخل الشركة					
الجيل الجديد يمتلك المهارات الإدارية اللازمة					
استمرت الشركة في الأداء الجيد بعد الخلافة					
هناك مناقشات كثيرة بين أفراد العائلة حول القيادة					
يوجد شفافية في اتخاذ قرارات انتقال القيادة					

## المحافظة

العبرة	1	2	3	4	5
يؤثر نمط تشغيل القطاع على سهولة اختيار القائد					
يؤثر حجم العائلة على سهولة أو صعوبة الاختيار					
الانتقال أكثر فاعلية عند إشراك المجتمع والحكومة					
تفضل العائلة اختيار القادة من داخلها					
ترفض العائلة تغيير الممارسات القيادية التقليدية					

## التخطيط لتعاقب الأجيال

العبرة	1	2	3	4	5
تم توضيح الانتقال في وثيقة الثقة					
يتم تدريب القادة المستقبليين ضمن برنامج مخطط					
من الواضح من سيخلف المدير التنفيذي الحالي					
يُشجع أفراد العائلة على اكتساب خبرة خارجية					
يُشرك غير أفراد العائلة في التخطيط للخلافة					

## الحوكمة

العبرة	1	2	3	4	5
توجه القواعد الداخلية كيفية إدارة الشركة					
تُتخذ القرارات بناءً على إرشادات موضوعية					
يشمل مجلس الإدارة أعضاء من خارج العائلة					
يتم الفصل بين الإدارة والملكية في الشركة					
تُتخذ القرارات الاستراتيجية عبر عمليات مؤسسية شفافة					
حدود مصالح العمل وحدود مصلحة العائلة واضحة					

## عملية تعاقب الأجيال

5	4	3	2	1	العبرة
					عملية الانتقال من جيل الى جيل تتم بسلاسة
					لم تتأثر الشركة سلبا بعد انتقال القيادة للجيل الجديد
					الجيل القادم لديه الرغبة في تعلم واستلام القيادة
					تم تدريب الخلف (الوريث) وتأهيله قبل تولي القيادة
					معيار الخلافة هو الكفاءة وليس القرابة
					الجيل الحالي يدير الشركة ويؤثر في قرارات التخطيط لانتقال القيادة
					تتراجع خطط تعاقب الأجيال بناء على النمو والأداء
					يؤثر طبيعة عمل الشركة على سهوله تعاقب الأجيال
					يؤثر عدد أفراد العائلة على اختيار القائد
					توجد برامج لبناء قادة شباب في العائلة