

BECOMING A FEMALE CEO: WHAT DRIVES FEMALE FAMILY BUSINESS SUCCESSORS IN THAILAND

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Abstract: Thailand has been one of the countries with highest ratio of female CEO and MD in the world. To maintain this top-woman leadership, knowing what attracts female family business (FB) successors would be a good foundation for maintaining their equal opportunities in business world. This research collected responses from 280 FB successors using Full Profile Conjoint Analysis (CA) paradigm. There were 2 conjoint studies conducted. First CA study comprised 5 FB characteristics (Business Age, Business Competition, Generation in Power, Business Size & Types of FBs) where each had 5, 3, 7, 4 and 4 levels, respectively. The second CA study comprised 8 business issues (Cultural Issue 1, Cultural Issue 2, Diversity, Financial, Human Resource, Marketing Issue 1, Marketing Issue 2 & Fairness in Workplace) where each had 3, 3, 4, 4, 5, 4, 5 and 4, respectively. D-optimal algorithm was used to create experimental designs for the 2 CA studies. Even though, male and female FB successors were similar in many aspects, collectively female successors tended to considered Cultural issues (i.e., "unclear communication about company's value", "freedom of expression" and "limited career path") to be more important than the male successors. Additionally, transgenerational intent utilities of female successors were positively influenced by hiring professional managers; meanwhile, male successors did not care. If their mothers hold the power, it negatively influenced the transgenerational intents of the female FB successors. Both male and female successors reacted positively toward highly competitive business environment, rigid business process and negative brand image; however, the female successors were more enthusiastic to succeed the FB than the male successors. Furthermore, rigid pricing structure turned female successors off more than male successors. These results can help FB current owners to plan smooth transgenerational succession for their daughters by focusing on these FB characteristics and issues.

Keyword: business women, family business, entrepreneurship, transgenerational intent, business successor

Introduction

Diversity strategy (such as diverse workforce, female leadership, etc.) brought competitive advantages to companies (Clestus *et al.*, 2018). In Thailand, family businesses (FBs) with female CEOs had higher firm values than those with male CEOs because female CEOs could deal with negative effects caused by family ownership more efficiently than the male counterparts (Buachoom *et al.*, 2023). In addition, Prabowo and Setiawan (2021) reported that firms which were led by female CEOs tended to engage more in innovation activities. Regardless of many advantages for having female as the top management or CEOs, many family businesses still hesitate to pass this significant position to female heirs.

Consequently, the number of female CEOs is still underrepresented in many countries. Therefore, to maintain this top-women leadership, knowing what attracts female FB successors will be a good foundation for maintaining their equal opportunities in the business world. This study aimed to

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identify FB characteristics and issues that influenced FB succession decision of Thai generation Z successors by conducting two Conjoint Analysis studies. We hypothesized that female successors differed from male successors in term of factors influencing their succession decision. The findings of this study can benefit many Thai FB owners to tailor their succession plans through the identified FB characteristics and issues.

Literature review

Even though, globalization economic brought more women into the management positions, still, the inequality between men and women existed in many aspects (e.g., unemployment rates, occupational segregation, wage gaps, and social protections) (UN Women, 2017). Therefore, various management studies paid attention to women entrepreneurship and leadership; and supported the idea that perceptions of leadership qualities and gender-based stereotypes significantly contributed to this imbalance (Hoyt, 2010; Ceci and Williams, 2011). Unlike other Asian countries where gender inequality was still large, Thailand, an ASEAN country, managed to make notable improvement in promoting gender equality and women's leadership by outperforming several other countries in the region (World Economic Forum, 2017). Regarding women in leadership positions, Thailand was one of the few Asian countries where women have attained top leadership roles without the support of affirmative action (Van der Boon, 2003). Thai women had high rate of entrepreneurship in comparison to other ASEAN countries, even though, traditional gender role stereotypes continued to prevail in Thailand (Vivatanapaiboonlap, 2020). Additionally, Thai government also has implemented supportive policies and practices promoting gender equality (Vivatanapaiboonlap, 2020). Hutchings (2000) noted that Thai government implemented systems enabling women to access employment, promotions, and economic opportunities on par with men. Legally, the Thai constitution ensures equal rights for both genders, and the government has reinforced this by enacting the Gender Equality Act in 2015 (Human Rights Watch, 2015) and ratifying the Discrimination (Employment and Occupation) Convention of 1958 (No. 111). Moreover, Thailand has integrated the Sustainable Development Goals (SDGs), including gender equality, into its national development strategies. Despite these advancements, societal attitudes remained a barrier.

Regardless of Thailand's higher gender equality in leadership than its peers, the GLOBE Study (House *et al.*, 2004) reported and explained the relationship between culture, leadership and gender dynamics in 62 societies including Thailand; and characterized Thai society as a collectivist, feminine, and non-confrontational society where people tended to favor charismatic and team-oriented leaders. However, the study also reported significant gender disparity in Thailand as the country received low score in gender egalitarianism (House *et al.*, 2004). This report echoed what had been reported twenty years earlier by Hofstede in 1984. Hofstede (1984) reported that Thai society accepted inequality and generally resist change as it had moderately high levels of power distance and uncertainty avoidance. Female inferiority remained at the society level and usually patriated in Thai mass media as major narrative (Khopolklang *et al.*, 2014). Cho *et al.* (2015) showed that deeply rooted traditional values continued to shape gender stereotypes in Thailand, regardless of growing awareness of gender equality and more professional opportunities for Thai women. Therefore, Thai women still faced unequal treatment in the workplace, including limited support from

supervisors and exclusion from influential male-dominated networks, which hindered their career advancement (Cho *et al.*, 2015). In spite of these barriers, many Thai women managed to succeed in entrepreneurship and leadership. Most of them ran family businesses, that were small and medium enterprises (SMEs), especially in retail, food, and tourism sectors (GEM, 2025).

As one of the oldest forms of organizations, family businesses (FBs) possess distinct characteristics compared to non-family enterprise as the businesses uniquely combine the dynamics of “working and loving” within the same environment. The “Three-Circle Model of Family Business” captures the complexities in FBs and visualizes the complexities as the overlapping of 3 roles in an FB namely: family, ownership, and business (Gersick *et al.*, 1997). Small- and medium-sized family businesses was the foundation of Thai economy as the businesses contributed approximately 39.04 trillion Baht annually and accounted around 72% of the nation's economy (Kanokkanjanarat, 2015). Therefore, the Thai government has actively supported the establishments of new family-run SMEs (Wasi *et al.*, 2019). Ward (2016) reported that most of FB founders intended to pass down their legacy to future generations and hoped that their FBs would grow and endure over time. However, in reality, not many of FBs succeed in achieving multigenerational success and a key factor in long-term survival has been the preservation of trade secrets across generations. Ward (2016) also proposed five crucial steps for fostering a sustainable family business: 1) lasting profitability, 2) having clear future strategic direction, 3) cultivating the next generation of leadership, 4) obtaining the support from non-operational family members and 5) instituting guiding values and philosophies.

Even though, transgenerational succession in FBs is critical to FB's sustainability, there are limited numbers of reports and theories explaining the transgenerational succession in FBs, especially the models and concepts related to leadership succession across generations. In conjunction with gender inequality in Asian cultures where the societies biases toward male dominance within the family structure, apparently, transgenerational succession usually resulted in male successors. Contrary to the common assumption mentioned, Viju Mathew (2016) reported that women were equally capable of assuming entrepreneurial leadership roles within family businesses as male successors; hence, women could be viable successors for any FB. Additionally, the study also encouraged FB managing generation to emphasize building positive relationship between women's leadership and business growth and performance. Furthermore, Meroño-Cerdán (2023) reported that, among 177 Spanish FBs, female members were ready to take over their FBs; but usually they were the last one to be considered. For Thai FB, Prompatanapak and Lopetcharat (2021) reported no differences in the level of Entrepreneurial Intention (EI) between male and female successors and the only difference was that female successors were more willing to employ professional managers than male successors. These findings help shape the main research question of this study that was how FB characteristics and issues influenced the succession decisions of Thai generation Z FB successors, especially female successors. The primary hypothesis was that female and male successors were different in factors influencing their succession decisions. The results can help current FB managing generations to create appropriate succession plan to attract their potential female successors regarding their actual FB characteristics and issues.

Research Methodology and design of experiment

Sample and data collection

There were 247 Thai university students whose families owned family businesses (FB). They were 18-25 years old. Eighty-four percent of the students studied in senior year and the other 6%, 2% and 9% were freshmen, sophomore and graduate students. Among the 247 potential successors, 57% were male and 43% were female. Eighty-seven percent of the FBs were extra small (40.50%) and small (47.40%) businesses and the other medium (9.30%) and large (2.80%). The FBs located in Central (42.10%), Eastern (13.40%), Northern (7.70%), North-Eastern (12.60%), Western (6.50) and Southern (17.40%) parts of Thailand. The other 0.40% were non-Thai FBs. The generations that managed their FBs were father/mother (79.80%), grandparents (7.70%), uncle/aunt (5.70%), same generation (5.60%) and hired professionals (1.20%). Majority of the FBs (52.60%) centralized the power to a person followed by having family council (32.00%), having multi-family partnership (15.00%) and hiring professional with executive management team (EMT) (0.40%). The survey questionnaire was created in a Google Form project and the link to the questionnaire was sent to 288 Thai FB successors through Line® application. From the 288 successors, 247 successors (85% response rate) voluntarily completed all the questions. The survey was conducted during the period from October 20th, 2025 to November 30th, 2025.

Conjoint methodology

Promptanapak and Lopetcharat (2021) reported that family business characteristic namely willingness to employ professional managers differentiated male and female Thai FB successors. Moreover, the study also reported strong influence of the interaction between current management generation and successors entrepreneurial intent and the successors concerned over management issues in their FBs. Therefore, to study the impacts of these factors on succession decision in details and to avoid attribution bias (Mohe, 2005), Conjoint Analysis was selected. The 247 successors participated in 2 Full Profile Metric Conjoint Analysis (CA) studies. The 1st study aimed to study the impact of FB characteristics and the 2nd study aimed to study the impact of FB management issues. For the FB-characteristics study, there were 5 FB characteristics: 1) business age (3 levels), 2) business competition (3 levels), 3) generation in power (7 levels), 4) business size (4 levels) and 5) types of family business (4 levels) (Table 1). For the FB-management issues, there were 8 business issues: 1) cultural issue 1 (3 levels), 2) cultural issue 2 (3 levels), 3) diversity (4 levels), 4) financial (4 level), 5) human resource (5 levels), 6) marketing issue 1 (4 levels), 7) marketing issue 2 (4 levels) and 8) fairness in workplace (4 levels) (Table 1).

Table 1 Categories and levels of FB characteristics and FB-management issues

Categories and levels in FB-characteristics study
<p>1.) Business age</p> <ul style="list-style-type: none"> 1.1 the company has been in business less than 5 years 1.2 the company has been in business for 5-10 years 1.3 the company has been in business for 11-15 years 1.4 the company has been in business for 16-20 years 1.5 the company has been in business for more than 20 years
<p>2.) Business competition</p> <ul style="list-style-type: none"> 2.1 in highly competitive business 2.2 in low competitive business 2.3 in medium competitive business
<p>3.) Generation in power</p> <ul style="list-style-type: none"> 3.1 your mother is managing the company 3.2 your father is managing the company 3.3 your sibling is managing the company 3.4 your aunt/uncle is managing the company 3.5 your grandparent is managing the company 3.6 your cousin who is the same generation as you is managing the company 3.7 the company hires non-family member professionals to manage the company
<p>4.) Business size</p> <ul style="list-style-type: none"> 4.1 the company is an extra-small-size business with annual sales less than 1.8 million Baht and/or hires up to 5 employees 4.2 the company is a small-size business with annual sales less than 100 million Baht and/or hires up to 50 employees 4.3 the company is a medium-size business with annual sales between 100 to 500 million Baht and/or hires between 50-200 employees 4.4 the company is a large-size enterprise with annual sales more than 500 million Baht and/or hires up to 200 employees
<p>5.) Types of family business</p> <ul style="list-style-type: none"> 5.1 the company centralizes the power to a person 5.2 the company has family council structure 5.3 the company has multi-family partnership structure 5.4 the company hires professional with executive management team (EMT)

Categories and levels in FB-management-issues study
1.) Cultural issue 1 1.1 the company does not communicate company's values clearly to employees 1.2 the working atmosphere in the company does not allow employees to express their opinions freely and truthfully 1.3 the company does not have clear career path or have limited career path for employees to grow
2.) Cultural issue 2 2.1 the company treats employees unequally and with favoritism 2.2 the current employees do not value teamwork and have high-level of selfishness 2.3 the company lacks unity and have many factions
3.) Diversity issue 3.1 the company has employees from many religious and faiths 3.2 the company has employees from many ethnicities 3.3 the company has employees with many sexual identities 3.4 the company has employees from different generations from recent graduate to near-retirement ages
4.) Financial issue 4.1 the company is facing liquidity crisis 4.2 the company is lacking capital and needs more investment 4.3 the company has too many outstanding non-performing loans 4.4 the company needs to pay high interest loan
5.) Human resource issue 5.1 the company manages human resources based on a clique in power 5.2 the company uses connections rather than skill level as criterion in management 5.3 the company has a lot of employees who do not demonstrate professionalism 5.4. the company has man factions in its organization 5.5 the company manages without transparency
6.) Marketing issue 1 6.1 Current goods or service is outdated and not popular 6.2 the company's current system is the cause of change resistances and difficulties for adapting toward modern marketing 6.3 business structure or operation system does not allow to adjust price quickly 6.4 the quality of goods is not consistent
7.) Marketing issue 2

- 7.1 current goods and/or brand is not well known
- 7.2 company's brands do not have good image
- 7.3 the company uses inappropriate channels for current market
- 7.4 package appearance and design and product/service promotion is not up-to-date
- 7.5 the company does not have budget for product promotion

Due to many combinations ($5 \times 3 \times 7 \times 4 \times 4 = 16,800$ for the FB-characteristics study and $3 \times 3 \times 4 \times 4 \times 5 \times 4 \times 5 = 14,400$ for the FB-management-issues study), a D-optimal algorithm was used to create experimental designs for the two CA studies. Each successor separately evaluated 20 full-profiles for the FB-characteristics study and 30 full-profiles for the FB management-issues study using 6-point sureness to inherit the family business scale where 1= definitely not inheriting this FB, 2=quite sure about not inheriting this FB, 3=not sure about not inheriting this FB, 4=not sure about inheriting this FB, 5=quite sure about inheriting this FB and 6 = definitely inheriting this FB). In addition to the conjoint studies, the successors also answered questions regarding demographic information, their own family business characteristics, self-perceived successor knowledge about family business, self-perceived succession willingness and successor's opinion toward current family business leader.

Statistical Analysis

Experimental design and CA analysis were conducted using the Conjoint Analysis tool in XLStat version 2025.1 (Lumivero, 2025). Part-worth utilities for all attribute levels and relative importance for all attributes were calculated using Ordinary Least Square (OLS). One-way ANOVA was used to compare the differences in part-worth utilities between successors' sex (male vs. female) at 95% confidence level.

Findings

This study identified and quantify the impact of FB characteristics and FB management issues on FB successors' sureness to inherit an FB. Additionally, this study investigated the differences between male and female FB successors using the utilities identified. In term of FB characteristics, female successors preferred FB that hired professional managers (utility = 0.36) than male successors (0.11) ($F_{1,245}=4.40$; p-value 0.037); and less likely to inherit an FB with their mother as CEOs (-0.63) than male successors (-0.42) ($F_{1,245}=4.36$; p-value 0.038). Both male and female successors preferred an FB in high competition situation; however, female successors were more prone the high competition (0.46) than male successor (0.31) ($F_{1,245}=5.98$; p-value 0.015). In term of issues surrounding FB, female successors reacted positively to rigid FB's business operation (0.11), negatively to outdated products/services (-0.14) and positively to channel problems (0.18); meanwhile, male successors did not react to these 3 issues ($F_{1,245}=3.99$; p-value 0.047) ($F_{1,245}=4.84$; p-value 0.029) ($F_{1,245}=7.47$; p-value 0.007). Interestingly, female successors (3.88) were less aware about FB crises and less confidence to solve these crises than male successors (4.11) ($F_{1,245}=5.52$; p-value 0.020). Additionally, female successors (3.75) were less willing to dedicate their private time to FB than male successors (4.04) ($F_{1,245}=5.27$; p-value 0.023); however, female successors (4.15) desired more approvals from senior family members than male successors (3.76) ($F_{1,245}=8.34$; p-value 0.004). In

their opinion, female successors (2.34) disagree more strongly than male successors (2.67) that current management of their FBs lost their passion to work ($F_{1,245}=4.30$; p -value 0.029).

Discussion

One of the findings suggested that Thai FB successors did not want to inherit FBs that were managed by their mother especially Thai female successors. This agreed with what Li & Piezunka (2019) reported for Chinese FBs that mother involvement in FB management confused male inheritor through her dual roles (family & business). Additionally, female successor could be impacted more than male successor as they had to face with the feeling of “unentitlement” caused by fear of surpassing their own mothers (Moulton, 1985), gender bias when mother behave like a man in managerial role (Wang,2010; Vera & Dean, 2005) and the mother’s shadow effect (Vera & Dean, 2005). These reports indicated that female successors faced more hurdles than their male counter parts when female successors inherited FB from previous generations especially their mothers and it resulted in later transition in female successors (about 40s-50s) than male successors (about 20s-30s) (Schiff Estess, 2001).

In practice, current management should hire professionals to work on the uncomfortable or an expertise area, especially matriarchy FB, to attract female successor. Additionally, putting female successors to high competition project or creating sub-business unit to incubate female successors are recommended. Moreover, it is important to develop a company to have a good brand image and a good marketing strategy (e.g., gearing toward sustainability and green innovation) as these issues were attractive to female successors. Furthermore, the company should have some level of difficulties in term of business operation that somewhat rigid or difficult to adapt to current/new era as this was considered as a positive challenge for female successors. The fact that female successors were mildly aware about FBs’ crises, less willing to dedicate their private time and required approval from senior family members presents an awkward situation for current managing generation to mentor female successors as these 3 conflicting attitudes need to be managed delicately. Therefore, the current managing generations need to manage their mentor-role and parent-role clearly and effectively; and allow their successors to combine and balance the family business legacy and personal passion at the same time. Even though, it is true that there is no boundary for female successors in Thailand, it does not mean there is also no boundary for other countries in the world. Therefore, we recommend to conduct Conjoint studies in other countries to identify driver and hindrance for female FB successors.

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