

The Influence of Family Relationships and Attitudes on Successor Readiness in Family-Owned Food SMEs in Bandung

Nurhaliza Sopian¹⁾; Fauzan Aziz^{2*)}

¹⁾ nurhalizasopian@students.telkomuniversity.ac.id, Telkom University, Indonesia

²⁾ fauzanaziz@telkomuniversity.ac.id, Telkom University, Indonesia

*) Corresponding Author

ABSTRACT

Objectives: The study addresses the issue of successor preparation in family-owned Micro, Small, and Medium Enterprises (MSMEs), with particular attention to businesses operating in the food sector in Bandung. It seeks to investigate how family relationships and individual attitudes contribute to the readiness of prospective successors, given that these aspects play an important role in sustaining the continuity of family businesses from one generation to the next.

Methodology: A quantitative methodology was adopted in this research, combining descriptive analysis with an explanatory approach. The respondents comprised 97 individuals associated with family-owned MSMEs in the food industry in Bandung. Participants were recruited through convenience sampling, with the required sample size determined using the Slovin formula. Primary data were obtained by administering a structured questionnaire, while the resulting data were examined through Structural Equation Modeling using the Partial Least Squares technique (SEM-PLS), supported by SmartPLS version 4.0.

Finding: The results indicate that both family relationship and attitude significantly influence successor readiness. Family relationship has a significant effect on successor readiness ($\beta = -0.153$; $p = 0.010$), while attitude demonstrates a stronger positive effect ($\beta = 0.963$; $p < 0.001$). The structural model explains 77.6% of the variance in successor readiness (Adjusted $R^2 = 0.776$), indicating substantial explanatory power. These findings suggest that although family dynamics may involve conflict and competition, positive attitudes toward the family business play a dominant role in enhancing successor readiness.

Conclusion: Successor readiness in family-owned SMEs is shaped by both family dynamics and individual attitudes. Strengthening communication, trust, and conflict management within the family, together with fostering positive attitudes through mentoring and early involvement in business activities, can improve successor preparedness and support the long-term sustainability of family businesses.

Keywords: Family Relationship; Attitude; Successor Readiness; Family Business; MSMEs; Succession Planning.

Submitted: 14-02-2025

Revised: 04-08-2026

Accepted: 13-10-2026

Article Doi:

http://dx.doi.org/10.22441/jurnal_mix.2026.v16i2.025

INTRODUCTION

The Indonesian business landscape has experienced considerable expansion, with Micro, Small, and Medium Enterprises (MSMEs) representing one of the sectors driving this development. By 2023, the number of MSMEs operating across Indonesia was estimated to have reached nearly 66 million. Their economic significance is reflected in their contribution of approximately 61% to the national Gross Domestic Product (GDP), amounting to around IDR 9,580 trillion. In addition, the sector provides employment for approximately 97% of Indonesia's workforce, representing nearly 117 million workers (kadin.id, 2024). These figures highlight the vital position of MSMEs in supporting national economic performance, creating employment opportunities, and fostering development at the regional level. In addition to their substantial role in the economy, MSMEs provide a relevant setting for exploring the factors that influence the sustainability of businesses over the long term. This issue becomes particularly significant for family-owned enterprises, where the continuation of the business is closely associated with the effective transfer of leadership from one generation to another. The development of Indonesia's MSME sector during the past five years is illustrated in Table 1.

Table 1. Growth of MSMEs in Indonesia (2019–2023).

Year	Number of MSMEs (Million Units)	Growth (%)
2019	64.19	–
2020	65.47	1.98
2021	64.00	-2.24
2022	65.46	2.28
2023	66.00	1.52

Source: KADIN Indonesia (2024).

The data in Table 1 indicate a substantial expansion in the MSME sector, with the total number of enterprises rising from 64.19 million in 2019 to nearly 66 million by 2023. The sector did experience a temporary decline in 2021 amid the COVID-19 pandemic; however, this downturn was followed by a gradual recovery, with the number of MSMEs continuing to increase in the subsequent years. This trend reflects the resilience of Indonesian MSMEs and indicates that an increasing number of family-owned businesses have reached a more mature stage of development, making succession planning an increasingly important issue for ensuring long-term business sustainability.

In the distribution of MSMEs in Indonesia based on the OSS RBA listing, West Java Province ranks first with approximately 1.49 million MSMEs, of which around 791 thousand operate in the food and beverage sector. This is followed by Central Java with approximately 1.45 million MSMEs, while East Java, DKI Jakarta, and North Sumatra also contribute significantly to the national MSME landscape. Within West Java, Bandung plays an important role as one of the province's major business centers. In 2023, Bandung ranked second after Bogor in terms of business contribution, with 10,107 business units. Data from the Central Bureau of Statistics of West Java reveal a substantial expansion in Bandung's MSME sector. The number of registered MSME business units rose from 4,221 in 2010 to 41,220 by 2022, indicating a significant increase in entrepreneurial activity within the city (jabar.bps.go.id, 2024). This rapid growth indicates that many family-owned food businesses have entered a mature stage of development, making succession planning increasingly important for ensuring business continuity across generations.

Referring to the business life cycle proposed by Adizes (as cited in Susanto, 2005), many MSMEs in Bandung have passed the establishment stage and are entering the development and maturity stages. The stages of business development proposed by Adizes are summarized in Table 2.

Table 2. Business Life Cycle Stages According to Adizes (as cited in Susanto, 2005).

Characteristics	Stage I	Stage II	Stage III
Business Age	0–5 years	10–20 years	20–30 years
Founder Age	25–35 years	40–50 years	55–70 years
Successor Age	0–10 years	15–25 years	30–45 years
Business Characteristics	Rapid growth	Business maturity	Regeneration and strategic reinvestment
Organizational Characteristics	Small and dynamic	Larger and more complex	Well-established
Owner Motivation	Business survival	Stability and control	Legacy and succession
Family Financial Expectations	Basic needs	Higher income	Wealth preservation and generational continuity
Family Goals	Business success	Growth and children's development	Family harmony and continuity

Source: Adizes (as cited in Susanto, 2005).

As shown in Table 2, businesses entering Stage III generally face greater organizational complexity, increased investment requirements, and a stronger need for business regeneration. At this stage, founders are approaching retirement age, while potential successors have generally reached productive working age and are expected to assume managerial responsibilities. Consequently, succession planning is no longer optional but becomes a strategic necessity for ensuring business continuity across generations. The long-term continuity of family-owned enterprises is strongly influenced by the effectiveness of their succession process. In many cases, family businesses struggle to remain viable across generations, particularly when the preparation of potential successors is insufficient or poorly planned. Consequently, establishing adequate succession preparation is considered a fundamental requirement for sustaining a family business beyond the first and second generations (Le Breton-Miller et al., 2004).

The succession process within a family enterprise encompasses far more than the transfer of ownership from one generation to another. It involves the continuation of managerial expertise, organizational principles, entrepreneurial orientation, and dedication to the future development of the business. Therefore, the preparedness of prospective successors represents a fundamental element in maintaining business continuity and developing a sustainable competitive advantage. Such preparedness indicates whether potential successors have developed the necessary knowledge and competencies, together with sufficient commitment, self-confidence, and willingness to undertake leadership roles and responsibilities effectively (Sharma & Irving, 2005).

Ward (2004) proposed the "Five Insights" and "4P" principles as essential guidelines for successful family business succession. The underlying principles highlight the importance of embracing change, resolving family-related challenges in a constructive manner, fostering open and effective communication, establishing a long-term strategic direction, and cultivating strong commitment among family members. Taken together, these considerations suggest that

successful succession is shaped by more than the managerial preparedness of prospective successors; it is also influenced by the strength of relationships within the family and the psychological preparedness of those who are expected to assume leadership in the future.

The theoretical foundation of this research is derived from Socioemotional Wealth (SEW) Theory, which views family enterprises as organizations whose priorities extend beyond financial outcomes. In addition to pursuing economic performance, family-owned firms tend to place considerable importance on safeguarding family values and identity, maintaining emotional bonds with the business, and preserving the enterprise for future generations (Berrone et al., 2012). Healthy relationships among family members can facilitate the transmission of tacit knowledge, mutual trust, and shared family values, all of which can contribute to preparing successors for leadership. Nevertheless, strong emotional bonds may also create challenges when they develop into interpersonal conflict, unclear family and business roles, or excessive parental intervention. Such conditions can restrict prospective successors from developing independence and sound decision-making abilities. Thus, the effect of family relationships on successor readiness should not be assumed to be uniformly beneficial, as its contribution may vary according to the way family interactions are managed throughout the succession process.

Research conducted in previous studies has highlighted the central role of founders in establishing organizational culture, embedding family values within the business, and supporting its sustainability over the long term (Sharma & Irving, 2005). Their influence extends beyond major strategic decisions, as founders also serve as important agents in transmitting the principles and values of the organization from one generation to the next. Likewise, Stavrou (1998) argued that the complexity of family values, traditions, and interpersonal relationships significantly affects successor development and succession effectiveness. These findings suggest that family relationships constitute a strategic resource capable of either facilitating or constraining successor readiness.

In addition to family relationships, individual attitudes also play an essential role in determining successor readiness. According to Robbins (2007), attitude consists of cognitive, affective, and behavioral components that influence an individual's tendency to respond to organizational situations. Meyer and Allen (1991) further explained that commitment develops through affective, continuance, and normative dimensions, which shape individuals' willingness to remain involved in organizational activities. For prospective successors in family-owned enterprises, a favorable perception of the family business can play an important role in shaping their preparedness for succession. A positive attitude may encourage stronger commitment to the enterprise, foster greater motivation to take on leadership responsibilities, and increase the willingness of successors to maintain and develop the business over successive generations.

Previous empirical studies generally reported that family relationships positively influence succession outcomes (Soeparto, 2019), while positive attitudes significantly strengthen successor commitment (Firmansyah, 2020). Despite the recognition of family relationships as an important factor in succession, existing research has largely focused on their beneficial effects while giving less attention to potential adverse consequences. Close interactions among family members may, under certain circumstances, foster emotional dependence, intensify conflicts between generations, or constrain the autonomy of prospective successors. As a result, the existing empirical findings do not yet provide a definitive understanding of either the direction or the strength of the association between family

relationships and successor readiness, especially within food-sector MSMEs in the Indonesian context.

To address the identified research gap, this study investigates the combined effects of family relationships and individual attitudes on the readiness of successors in family-owned food MSMEs located in Bandung. In contrast to earlier research, which has tended to examine outcomes such as successor commitment or overall business performance, the present study places successor readiness at the center of the analysis and incorporates both family-related and individual factors into an integrated empirical framework. By doing so, the study is expected to extend the existing body of knowledge on family business succession, particularly by offering insights into the role of socioemotional wealth and the development of prospective successors within emerging-economy settings. Beyond its theoretical contribution, the study may also offer practical guidance for business founders in developing and preparing the next generation to assume leadership and sustain the family enterprise successfully. Therefore, this study is entitled "The Influence of Family Relationships and Attitudes on Successor Readiness in Family-Owned Food SMEs in Bandung".

METHOD

A quantitative research framework was adopted to investigate the relationship between family relationships, individual attitudes, and successor readiness among family-owned food MSMEs in Bandung. The research combined descriptive and explanatory approaches to provide both an overview of the observed variables and an empirical assessment of their relationships. The quantitative method was considered appropriate because it allows relationships among latent constructs to be operationalized, measured, and statistically evaluated, including the examination of their causal associations (Cooper & Schindler, 2014).

The research population comprised 4,164 food-sector MSMEs operating in Bandung City. Using the Slovin formula and applying a 10% margin of error, the study established a minimum sample requirement of 98 respondents. Since the survey instrument was disseminated electronically through Instagram and WhatsApp, respondents were recruited using a convenience sampling method, allowing participants who were readily accessible through these online channels to take part in the study. Participant recruitment was based on respondents' availability and voluntary agreement to take part in the research, provided that they fulfilled the established eligibility requirements. To be included in the study, participants had to: (1) have a direct involvement in a family-owned food MSME operating in Bandung; (2) be a member of the founder's family or be recognized as a prospective successor of the business; and (3) submit a questionnaire with all required items completed. Following the data screening process, 97 questionnaires were considered complete and suitable for subsequent analysis.

The study obtained its primary data through a structured online survey administered using Google Forms and disseminated via social media channels, primarily Instagram and WhatsApp. Respondents were asked to evaluate a series of closed-response statements on a five-point Likert scale, where a score of 1 represented "strongly disagree" and a score of 5 indicated "strongly agree." Three latent constructs were examined in the research: Family Relationship (X1), Attitude (X2), and Successor Readiness (Y). The indicators used to operationalize these constructs were developed by drawing upon previously validated measures and relevant

scholarly literature concerning family business succession, organizational behavior, and successor commitment.

The collected data were processed using Structural Equation Modeling based on the Partial Least Squares approach (SEM-PLS), with SmartPLS 4.0 serving as the analytical software. This technique was considered suitable for the study because it supports predictive models incorporating latent variables and can be effectively applied to research involving comparatively limited sample sizes (Hair et al., 2022). The analytical procedure was conducted in two sequential stages. The first stage involved assessing the measurement model (outer model), including indicator reliability, internal consistency through Cronbach's Alpha and Composite Reliability, convergent validity based on Average Variance Extracted (AVE), and discriminant validity. The second stage focused on evaluating the structural model (inner model) by examining the coefficient of determination (R^2), predictive relevance (Q^2), path coefficients, effect size (f^2), variance inflation factor (VIF) for collinearity assessment, and the significance of the proposed hypotheses using the bootstrapping procedure.

Table 3 summarizes the results of the measurement model assessment, including the evaluation of its reliability and validity.

Table 3. Validity and Reliability Test Results

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)	Description
Inter-family relationships	0.907	0.986	0.917	0.556	Valid
Attitude	0.951	0.964	0.957	0.655	Valid
Successor Readiness	0.812	0.886	0.873	0.638	Valid

Source: Data processed by the author (2024)

The findings in Table 3 demonstrate that each construct meets the established standards for reliability and convergent validity. Both Cronbach's Alpha and Composite Reliability produce values above 0.70, suggesting that the indicators within each construct possess an acceptable level of internal consistency. In addition, the Average Variance Extracted (AVE) for every construct exceeds the minimum value of 0.50, providing evidence of satisfactory convergent validity. Based on these results, the measurement instrument can be regarded as sufficiently reliable and valid to proceed with the evaluation of the structural model.

RESULTS AND DISCUSSION

Result

Respondent Characteristics

The survey data were obtained by distributing a structured questionnaire electronically through Google Forms, with Instagram and WhatsApp serving as the primary dissemination channels. In total, 98 questionnaires were circulated and successfully retrieved from the respondents. Following the screening and verification of the submitted responses, 97 questionnaires met the validity requirements and were included in the subsequent statistical analysis. This resulted in a valid response rate of 98.99%.

Table 4. Details of Questionnaire Distribution

Description	Total
Number of questionnaires distributed	98
Number of returned questionnaires	98
Number of valid questionnaires	97

Source: Data processed by the author (2024)

The study involved individuals who had either assumed or were expected to assume succession roles within family-owned food SMEs in Bandung. The respondent profile by gender shows that women accounted for 60% of the sample, representing 58 participants, whereas men comprised the remaining 40%, or 39 participants. The distribution suggests that, among the family businesses examined, female family members constitute a relatively greater share of those identified as current or prospective successors.

The age profile of the respondents was predominantly concentrated among individuals aged 25–30 years, who accounted for 67% of the total sample. Respondents below 20 years represented 17%, while those in the 20–24 age group comprised 10%; only 6% were above 30 years of age. This composition indicates that the sample was largely represented by young adults who are situated at an important stage of the succession process, particularly the period in which prospective successors move from preparation and capability development toward assuming actual managerial responsibilities within the family enterprise.

With respect to business longevity, the largest proportion of respondents (45%) reported involvement in family-owned enterprises that had been operating for 11–15 years. This was followed by businesses with an operating history of 6–10 years (29%). Meanwhile, 10% of respondents were associated with businesses established for more than 20 years, while 8% were involved in enterprises that had operated for 16–20 years and another 8% in businesses with less than five years of operation. The distribution demonstrates that a substantial proportion of the family enterprises represented in the study have reached a relatively established stage of business development, making succession planning increasingly relevant for maintaining organizational continuity and facilitating the transfer of the business to subsequent generations.

Descriptive Analysis

A descriptive assessment was performed to characterize respondents' perceptions of the three constructs examined in this research: Family Relationship, Attitude, and Successor Readiness. The results show that Family Relationship achieved a total percentage score of 78.60%, placing it within the good category. This result reflects generally favorable family interactions among the respondents, particularly in terms of communication, mutual trust, and the commitment demonstrated by family members in the operation and management of the family-owned business. However, several questionnaire items also revealed the existence of internal competition, jealousy, and conflicts among family members regarding future leadership roles. This indicates that although family relationships are generally perceived positively, interpersonal tensions remain part of the succession process.

The Attitude variable achieved an overall score of 66.48%, categorized as moderately good. This result indicates that respondents generally possess positive perceptions toward continuing the family business, including willingness to contribute to business development and maintain family values. Nevertheless, relatively lower scores on several indicators imply

that emotional attachment, confidence, and long-term commitment toward becoming future successors are not yet equally strong among all respondents.

The Successor Readiness variable obtained an overall score of 68.93%, which is classified as good. This finding indicates that respondents generally perceive themselves as adequately prepared to continue the family business. Successor preparedness is supported by several individual and experiential factors, including educational attainment, exposure to employment outside the family enterprise, and personal motivation to become actively involved in business management. Nevertheless, the descriptive findings indicate that possessing technical capabilities alone may not be sufficient to ensure a successor's readiness. The level of preparedness may also be shaped by the nature of family interactions and the psychological characteristics of prospective successors. These relationships are subsequently investigated in greater depth through the structural model analysis.

Measurement Model Evaluation (Outer Model)

Prior to testing the hypothesized relationships within the structural model, the measurement model was first examined to establish the reliability and validity of the research constructs. The assessment covered several criteria, namely indicator reliability, convergent validity, discriminant validity, and internal consistency reliability. These evaluations were conducted in accordance with the SEM-PLS assessment procedures recommended by Hair et al. (2022).

Indicator Reliability and Convergent Validity:

Table 5. Outer Loadings of Measurement Indicators

	Relationships Between Families	Successor Readiness	Attitude
X1.1	0.744		
X1.2	0.758		
X1.3	0.748		
X1.4	0.706		
X1.5	0.598		
X1.6	0.580		
X1.7	0.840		
X1.8	0.879		
X1.9	0.806		
X2.1			0.627
X2.2			0.895
X2.3			0.846
X2.4			0.863
X2.5			0.570
X2.6			0.744
X2.7			0.872
X2.8			0.871
X2.9			0.874
X2.10			0.815
X2.11			0.816

	Relationships Between Families	Successor Readiness	Attitude
X2.12			0.849
Y1		0.925	
Y2		0.905	
Y3		0.675	
Y4		0.650	

Source: Data processed by the author (2024)

As reported in Table 5, the majority of the indicators achieved outer loading coefficients exceeding the commonly accepted value of 0.70. Nevertheless, several indicators produced loadings within the 0.50–0.70 range, including X1.5 (0.598), X1.6 (0.580), X2.1 (0.627), X2.5 (0.570), Y3 (0.675), and Y4 (0.650). Hair et al. (2022) note that indicators falling within this range can still be considered for retention provided that the corresponding construct meets the required levels of Composite Reliability and Average Variance Extracted (AVE). On this basis, none of the indicators were removed from the model, as all were considered sufficiently representative of their respective latent constructs and suitable for further analysis.

Internal Consistency Reliability:

Table 6. Validity and Reliability Results

Variable	Cronbach's Alpha	rho_A	Composite Reliability	AVE
Family Relationship	0.907	0.986	0.917	0.556
Attitude	0.951	0.964	0.957	0.655
Successor Readiness	0.812	0.886	0.873	0.638

Source: Data processed by the author (2024)

The results in Table 6 demonstrate that each construct fulfilled the established criteria for measurement quality. Cronbach's Alpha and Composite Reliability coefficients were consistently higher than 0.70, while the Average Variance Extracted (AVE) values exceeded the minimum criterion of 0.50. These findings provide evidence of adequate internal consistency and convergent validity across all constructs. Accordingly, the measurement model satisfies the required reliability and validity standards and can be used for the subsequent evaluation of the structural model.

Discriminant Validity:

Table 7. Cross Loading Results

	Relationships Between Families	Successor Readiness	Attitude
X1.1	0.744	0.217	0.367
X1.2	0.758	0.218	0.395
X1.3	0.748	0.120	0.321
X1.4	0.706	0.200	0.324
X1.5	0.598	0.152	0.237

	Relationships Between Families	Successor Readiness	Attitude
X1.6	0.580	0.096	0.218
X1.7	0.840	0.304	0.454
X1.8	0.879	0.493	0.598
X1.9	0.806	0.431	0.573
X2.1	0.638	0.396	0.627
X2.2	0.454	0.863	0.895
X2.3	0.366	0.848	0.846
X2.4	0.537	0.814	0.863

Source: Data processed by the author (2024)

The discriminant validity results demonstrate that the indicators associated with each construct exhibit their strongest loading on the construct they are designed to measure, rather than on the other constructs in the model. This pattern provides support for the attainment of discriminant validity and confirms that the latent constructs are sufficiently differentiated from one another, with each representing a distinct conceptual dimension.

Structural Model Evaluation (Inner Model)

The inner model assessment was conducted to examine the extent to which the proposed structural model possesses predictive capability and to evaluate the relationships established among the latent constructs included in the research framework.

Coefficient of Determination (R^2): The coefficient of determination (R^2) represents an important measure for assessing the predictive accuracy of a structural model. It indicates the proportion of variance in an endogenous construct that can be explained collectively by its exogenous constructs. The R^2 results obtained from the data analysis using SmartPLS 4.0 are presented in the following table:

Table 8. Coefficient of Determination			
Variabel	R-square	R-square adjusted	Kategori
Successor Readiness	0.781	0.776	High

Source: Data processed by the author (2024)

As shown in Table 8, the Successor Readiness construct records an adjusted R^2 of 0.776. This result demonstrates that Family Relationship and Attitude collectively account for 77.6% of the variation observed in Successor Readiness. The remaining 22.4% represents the proportion of variance attributable to other factors that are not incorporated into the current research model. In accordance with Hair et al. (2022), an adjusted R^2 of this magnitude reflects a substantial level of explanatory power for the endogenous construct.

Predictive Relevance (Q^2): Predictive relevance is assessed using the Q^2 value to determine the extent to which the structural model is capable of predicting the observed values of endogenous constructs. A Q^2 value greater than zero indicates that the model possesses predictive relevance, whereas a value below zero suggests that the model does not demonstrate

predictive relevance. The Q^2 results obtained from the analysis conducted using SmartPLS 4.0 are presented in the following table:

Variabel	Q^2 Predictive	RMSE	MAE
Successor Readiness	0,758	0,502	0,412

Source: Data processed by the author (2024)

The analysis produced a Q^2 value of 0.758, which is substantially above the minimum criterion of zero. This result confirms that the structural model demonstrates predictive relevance in accounting for Successor Readiness. Thus, the proposed model not only provides considerable explanatory capability but also exhibits a strong capacity to predict the endogenous construct.

Model Fit: The adequacy of the proposed structural model is supported by its predictive assessment results, with an adjusted R^2 value of 0.776 and a Q^2 value of 0.758, both indicating strong model performance. Collectively, these findings demonstrate that the model provides substantial explanatory and predictive capability in accounting for Successor Readiness among family-owned food SMEs operating in Bandung.

Hypothesis Testing Results

The proposed hypotheses were evaluated through the bootstrapping method implemented in SmartPLS 4.0. The statistical decision criteria were established at a 5% significance level. Accordingly, a hypothesized relationship was considered statistically significant when the resulting t-statistic exceeded 1.96 and the corresponding p-value was below 0.05.

Table 10. Hypothesis Testing Results

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics ((O/STDEV))	P values	Description
Family Relationship p -> Successor Readiness	-0.153	-0.141	0.059	2.585	0.010	Supported
Attitude -> Successor Readiness	0.963	0.965	0.043	22.227	0.000	Supported

Source: Data processed by the author (2024)

The results reported in Table 10 reveal contrasting effects of the two independent constructs on Successor Readiness. Family Relationship exhibits a statistically significant negative association with Successor Readiness ($\beta = -0.153$; $p = 0.010$), suggesting that higher levels of family relationship quality are accompanied by lower levels of successor readiness within the sample examined. In contrast, Attitude demonstrates a statistically significant and strongly positive relationship with Successor Readiness ($\beta = 0.963$; $p < 0.001$). This result indicates that a more favorable attitude toward the family business is associated with a substantial increase in the preparedness of prospective successors to assume business responsibilities.

These findings demonstrate that although both hypotheses are statistically supported, the directions of the relationships differ. Family Relationship exhibits a negative coefficient, whereas Attitude shows a strong positive coefficient. Therefore, the interpretation of each relationship is discussed separately in the following section.

Discussion

Family Relationship and Successor Readiness

The hypothesis test confirms that Family Relationship has a statistically significant effect on Successor Readiness ($\beta = -0.153$, $t = 2.585$, $p = 0.010$). This result demonstrates that interactions and relationships within the family constitute a significant factor in determining the preparedness of successors to assume responsibility for the continuation of family-owned food SMEs in Bandung. Although the descriptive findings indicate that Family Relationship is generally perceived positively, with an overall score of 78.60% categorized as good, this favorable assessment does not correspond to a positive structural effect. Respondents nevertheless reported relatively strong communication, mutual trust, and commitment among family members in the management of the family business. However, the descriptive findings also revealed that many respondents experienced internal family conflicts, particularly competition among siblings or relatives to demonstrate that they were the most suitable successor. These findings suggest that although family relationships are generally perceived positively, they also involve interpersonal dynamics that may complicate the succession process.

An important finding emerges from the structural model, which reveals a statistically significant yet negative standardized path coefficient for Family Relationship ($\beta = -0.153$). This result suggests that the presence of strong family ties should not necessarily be interpreted as an indication of greater successor preparedness. Family relationships may instead have a constraining effect when close interactions involve excessive parental intervention, emotional dependence, competition among siblings, or conflicts that remain unresolved. Under such circumstances, prospective successors may have fewer opportunities to develop independent judgment and self-confidence, thereby limiting their readiness to undertake leadership responsibilities in the future. This finding is consistent with the research gap identified in the Introduction, which argues that family relationships may generate both supportive and constraining effects during succession.

From the perspective of family business succession, strong family relationships facilitate the transfer of knowledge, business values, and leadership experience from one generation to the next (Susanto, 2005; Sharma & Irving, 2005). However, close family interactions may also create interpersonal conflict, excessive parental control, and competition among potential successors, which can reduce successor independence and readiness (Bozer et al., 2017; Ljubotina & Vadjnal, 2017).

The present findings both support and extend previous studies. Soeparto (2019) reported that harmonious family relationships positively contribute to successor development and organizational performance by strengthening communication and trust among family members. Le Breton-Miller et al. (2004) similarly argued that successful succession is closely associated with the quality of the relationship established between founders and prospective successors, particularly when mentoring and knowledge transfer are carried out systematically. The findings of the present study, however, suggest that favorable family relationships by themselves cannot be regarded as sufficient to produce a high level of successor readiness. The

negative path coefficient further implies that the manner in which family members interact may be more consequential than the strength or intensity of their relationships. Consequently, interpersonal tensions that remain unresolved may undermine the preparedness of prospective successors, even in family businesses where the overall level of family cohesion is perceived to be relatively strong.

From a managerial perspective, the findings highlight the need for founders of family-owned SMEs to move beyond simply preserving harmonious family relationships. Greater emphasis should be placed on developing open and transparent communication, establishing explicit responsibilities for prospective successors, providing sufficient space for independent decision-making, and adopting a systematic approach to succession planning. These measures can help minimize potential interpersonal tensions while simultaneously developing the capabilities, autonomy, and self-confidence necessary for successors to assume leadership and sustain the family enterprise across generations.

Attitude and Successor Readiness

The analysis demonstrates that Attitude exerts a statistically significant and positive influence on Successor Readiness ($\beta = 0.963$, $t = 22.227$, $p < 0.001$). Compared with the other independent variable examined in the model, Attitude represents the most dominant predictor of successor readiness. This result highlights the importance of the prospective successor's personal orientation toward the family enterprise, as a favorable attitude is closely associated with greater willingness, motivation, and preparedness to assume responsibility for the continuation of the family business.

The descriptive findings reveal that the Attitude variable achieved an aggregate score of 66.48%, placing it in the fairly good category. In general, respondents demonstrated a relatively favorable orientation toward their respective family businesses. This positive disposition was reflected in their confidence regarding the future development of the enterprise, their willingness to make an active contribution to its activities, and their commitment to preserving the business as part of the family legacy. However, several indicators received relatively lower scores, particularly those related to emotional attachment, readiness to compete for succession, and confidence in becoming the future business leader. These findings indicate that although respondents demonstrate favorable attitudes toward the family business, their psychological readiness remains capable of further development.

The result reinforces the argument that successor readiness is shaped by more than the support provided within the family, as it also depends substantially on the prospective successor's intrinsic motivation and personal commitment. Robbins (2007) explains that attitudes comprise cognitive, affective, and behavioral dimensions, each of which contributes to the way individuals perceive situations, respond to them, and make decisions within an organizational context. Accordingly, individuals who hold favorable attitudes toward their work are generally more motivated, actively engaged in organizational activities, and committed to achieving shared organizational objectives. Within the context of family businesses, these positive attitudes encourage successors to acquire managerial competencies, actively participate in business activities, and prepare themselves for future leadership responsibilities.

The findings are also consistent with Meyer and Allen's (1991) organizational commitment framework, which explains that affective commitment, continuance commitment,

and normative commitment strengthen an individual's willingness to remain involved in an organization. In family businesses, positive attitudes toward the business foster emotional attachment and a sense of responsibility, thereby increasing successors' readiness to assume leadership roles. Furthermore, these findings align with the perspective of Socioemotional Wealth (SEW) Theory, which emphasizes that preserving family identity, values, and long-term continuity motivates family members to maintain the sustainability of the business across generations (Berrone et al., 2012). When successors develop positive attitudes toward these family values, they become more committed to continuing the business and safeguarding the family's socioemotional wealth.

The present findings support previous empirical studies. Firmansyah (2020) found that a favorable attitude plays a significant role in strengthening the commitment of prospective successors within family-owned enterprises. Consistent with this perspective, Sharma and Irving (2005) identified successor commitment as a critical factor underlying successful intergenerational succession, as individuals who are strongly committed to the family business tend to demonstrate greater willingness to devote their time, effort, and resources to acquiring and developing the capabilities necessary for future leadership. Building on these previous findings, the present study provides further evidence that the role of attitude extends beyond fostering successor commitment. The results indicate that Attitude also has a direct and significant contribution to Successor Readiness, suggesting that the development of psychological preparedness is an essential antecedent to the effective transfer of leadership across generations.

From a practical standpoint, the findings imply that family business founders need to place equal emphasis on cultivating favorable attitudes among prospective successors alongside providing managerial and leadership training. Developing a positive orientation toward the family enterprise can strengthen successors' motivation, commitment, and psychological preparedness to assume future responsibilities. Greater involvement in strategic decision-making, structured mentoring, opportunities to gain external work experience, and open communication regarding succession planning can strengthen successors' confidence, commitment, and readiness to ensure the long-term sustainability of family-owned food SMEs.

Joint Effect of Family Relationship and Attitude on Successor Readiness

The findings demonstrate that Family Relationship and Attitude jointly explain Successor Readiness, indicating that successor preparedness is influenced by both interpersonal family dynamics and individual psychological factors. The structural model demonstrates strong explanatory capability, as reflected by an adjusted R^2 of 0.776. This value indicates that Family Relationship and Attitude jointly account for 77.6% of the variation in Successor Readiness, whereas the remaining 22.4% is associated with other determinants that fall outside the scope of the current model. The relatively high proportion of explained variance indicates that the proposed framework offers substantial explanatory strength in understanding Successor Readiness among family-owned food SMEs in Bandung.

The descriptive findings further support this conclusion. Family Relationship received a relatively high mean score (78.60%), indicating that most respondents perceived harmonious communication, mutual trust, and strong family commitment within the business. Meanwhile, Attitude obtained a score of 66.48%, suggesting that although successors generally possessed positive perceptions toward the family business, their motivation, confidence, and psychological preparedness still had room for improvement. The findings indicate that

achieving successor readiness requires more than maintaining positive and harmonious relationships within the family. It also depends on the prospective successor's willingness to assume responsibility, strengthen the managerial capabilities needed for future leadership, and demonstrate sustained commitment to preserving and developing the family business over the long term.

Theoretically, the findings are consistent with the core propositions of Socioemotional Wealth (SEW) Theory as articulated by Berrone et al. (2012). The theory emphasizes that family-owned firms pursue objectives that extend beyond financial outcomes, including the preservation of family identity, emotional bonds with the enterprise, and continuity of the business across generations. Within this context, family relationships serve as an important mechanism for transmitting tacit knowledge, shared organizational values, and accumulated business experience from one generation to the next. However, these relational resources become effective only when successors possess positive attitudes, intrinsic motivation, and commitment to continue the family enterprise. Therefore, family support and individual attitudes should be viewed as complementary rather than independent determinants of succession success.

The present findings also extend previous empirical studies. Soeparto (2019) emphasized the importance of family relationships in supporting organizational sustainability, whereas Firmansyah (2020) highlighted the contribution of positive attitudes to successor commitment. The current study integrates these two perspectives within a single structural model and demonstrates that successor readiness is shaped by the interaction between family-related and individual-related factors. The findings extend the existing literature on family business succession by indicating that effective succession cannot be secured through strong family support or favorable successor attitudes in isolation. Rather, these two dimensions need to be cultivated in parallel to create the conditions necessary for prospective successors to develop the competence, confidence, and preparedness required to assume future leadership roles.

From a managerial standpoint, succession planning in family-owned SMEs should be approached as a structured and continuous process of successor development rather than merely as a transfer of authority. Founders need to complement efforts to sustain constructive family relationships with deliberate initiatives aimed at building successors' managerial capabilities, leadership confidence, and psychological commitment. These efforts can be supported through systematic mentoring, progressive assignment of business responsibilities, organized leadership development, and open communication concerning succession arrangements. An integrated approach of this nature can strengthen the preparedness of prospective successors while supporting the continuity and long-term sustainability of family-owned enterprises across generations.

CONCLUSION

This study confirms that both family relationship and attitude significantly influence successor readiness in family-owned food SMEs in Bandung. The findings reveal that Family Relationship and Attitude play distinct roles in shaping Successor Readiness. Family Relationship serves as an important supporting foundation by fostering trust, communication, and emotional support among family members. However, Attitude demonstrates a comparatively stronger contribution, suggesting that prospective successors who hold favorable

views of the family enterprise, possess a strong sense of commitment, and are willing to continue the business are more adequately prepared to undertake future leadership responsibilities. Accordingly, effective intergenerational succession requires not only a supportive family environment but also the development of a constructive and committed individual orientation toward the family business. From a scholarly perspective, the study adds empirical support to the family business succession literature by presenting evidence from food-sector SMEs in Indonesia. The findings also provide practical implications for family business owners, particularly regarding the importance of establishing effective communication, providing continuous mentoring, and involving prospective successors in business activities at an early stage of their development. Despite these contributions, the study is subject to a contextual limitation, as its investigation was confined to family-owned food SMEs in Bandung and focused exclusively on Family Relationship and Attitude as explanatory variables of Successor Readiness. Future research should extend the investigation to other business sectors and incorporate additional factors, such as succession planning, leadership competence, and family governance, in order to provide a broader and more integrated understanding of the determinants of successful family business succession.

REFERENCES

- Berrone, P., Cruz, C., & Gomez-Mejia, L. R. (2012). *Socioemotional wealth in family firms: Theoretical dimensions, assessment approaches, and agenda for future research*. *Family Business Review*, 25(3), 258–279.
- Bozer, G., Levin, L., & Santora, J. C. (2017). Succession in family business: multi-source perspectives. *Journal of Small Business and Enterprise Development*, 24(4), 753–774. <https://doi.org/10.1108/JSBED-10-2016-0163>.
- Donald Cooper, P. S. (2014). *Business research methods* (The McGraw). twelfth edition.
- Handayani, K. (2024). Strategi adaptif untuk mempertahankan tenaga kerja di era society 5.0: Menghadapi tantangan cobot. *Jurnal Penelitian Multidisiplin Bangsa*, 1(3), 185-200.
- Le Breton-Miller, I., Miller, D., & Steier, L. P. (2004). *Toward an integrative model of effective FOB succession*. *Entrepreneurship Theory and Practice*, 28(4), 305–328.
- Ljubotina, P., & Vadjal, J. (2017). Succeeding a family business in a transition economy: is this the best that can happen to me? *Kybernetes*, 46(8), 1366– 1385. <https://doi.org/10.1108/K-06-2016-0148>
- Martha, J. A., Hidayat, R., Wati, A. P., & Sari, N. K. M. (2021). Keterlibatan Orang Tua Dalam Menumbuhkan Minat Anak Untuk Melanjutkan Bisnis Keluarga. *Jurnal Pendidikan Dan Kewirausahaan*, 9(1), 26-41.
- Meyer, J. P., & Allen, N. J. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review*, 1(1), 61–89. [https://doi.org/10.1016/1053-4822\(91\)90011-Z](https://doi.org/10.1016/1053-4822(91)90011-Z)
- Putra, A. D., & Puspitasari, W. (2024). Peran Nilai Etika Memoderasi Faktor-Faktor Pencegahan Kecurangan: Studi Kasus: Pada Grup PT. Asvia Laguna Medis. *Kompak: Jurnal Ilmiah Komputerisasi Akuntansi*, 17(2), 105-123.
- Robbins, S. p & J. (2007). *Perilaku Organisasi*, Buku 1 dan 2. Salemba Empat.
- Rumapea, E. O., Siboro, I. P., Yasir, N. U., Silitonga, T. P., Syahreza, D. S., & Harmen, H. (2025). Analysis of Strategy and Teamwork on Sales Effectiveness at PT Sumber Jaya Motor Honda Medan. *Economic: Journal Economic and Business*, 4(1), 14-19.

- Satria, O., Komara, A. T., & Suzanto, B. (2018). Pengaruh sikap karyawan terhadap komitmen organisasi. *Bisnis Dan IPTEK*, 96–109.
- Sharma, P., & Irving, P. G. (2005). Four Bases of Family Business Successor Commitment: Antecedents and Consequences. *Entrepreneurship Theory and Practice*, 29(1), 13–33. <https://doi.org/10.1111/j.1540-6520.2005.00067.x>