

Research on Intergenerational Succession of Family Business Based on the Perspective of Tacit Knowledge Transfer

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Keywords: Tacit knowledge transfer, Family business, Intergenerational inheritance

Abstract: Family businesses have a long history and a wide range of distributions, which have shown distinctive characteristics in the development of history. But relative to the individuals of the family business, it can survive and last for a short time, and its development is not sustainable. The main reason is the failure of intergenerational inheritance. At present, the tacit knowledge transfer of family business is passed on from generation to generation. The most realistic issue is that the founders of the company cannot effectively transfer tacit knowledge to their successors. At the same time, after transfer, can the actual effect be in the hands of the successor On its own value. The whole process of intergenerational inheritance of family business tacit knowledge is divided into four parts, and each part has the difference between partial emphasis and quantity. In addition, the effective way of intergenerational inheritance is cross-generation entrepreneurship, which can help its development and inheritance to promote.

1. Introduction

Tacit knowledge transfer is a link and factor that family businesses must have in order to carry out intergenerational inheritance, which is also the key to the long-term development of family businesses. In China, due to economic development and progress, family businesses have shown a thriving development trend, and they have shown great vitality and vitality. For example, China CITIC, Fangtai Group, and Volkswagen and Wal-Mart from abroad belong to family businesses. However, due to the development of time and economic progress, many family businesses have reached the intergenerational inheritance period, leading to a decline in the speed of their development, and the turnover and the benefits they have obtained have shown a decreasing trend compared to the past. This also shows from another situation that the current enterprises have poor preparation and awareness of inheritance, and the sustainable development of family businesses has also been challenged by these issues. The core competitiveness of a business family is related to the core qualities of its entrepreneurs, such as leadership skills, management skills, social networks, etc. These are also called tacit knowledge, and constitute the core driving force for enterprise development. However, the tacit knowledge of entrepreneurs has a high degree of concealment for others, and is accompanied by strong path dependence, which ultimately leads to certain problems in the process of intergenerational inheritance. From the perspective of tacit knowledge transfer, this paper studies the intergenerational inheritance of family businesses and proposes feasible development suggestions, which can provide a theoretical basis for the current Chinese enterprises to improve the effectiveness of intergenerational inheritance.

2. Status Quo of Entrepreneurial Tacit Knowledge Inheritance Process

The intergenerational inheritance of family business is a long process. At present, the basic inheritance model is mainly based on 'child inheritance and father's business'. It is basically divided into different stages. The existence of these stages can help to complete intergenerational inheritance.

2.1 Pre-Inheritance and Preparation

When a family business transfers tacit knowledge, it is basically planned early, and it is basically

started when the entrepreneur has the tendency to give his position to his children. The willingness to pass on is stronger than the willingness to take over, and entrepreneurs basically transfer tacit knowledge to guidance, preaching, and preaching by example. Heirs can unknowingly receive this knowledge, but this The degree of acceptance of tacit knowledge in this stage is not high, because the inheritance of the current successor is not obvious. For example, Xu Guanju, the successor of the Chuanhua Group, entered the family business earlier and communicated fully with his parents and his network, thereby fully inheriting his father's tacit knowledge and laying a good foundation for subsequent entrepreneurship. . However, Chen Nan of Sanquan Foods was because his parents did not plan in advance and launched a succession plan, so that Chen Nan did not fully communicate with his parents before starting a business, and his reserve of tacit knowledge was low. As a result of his failure to start a business, the earlier preparation of the inheritance plan will help the heirs to fully understand and inherit their tacit knowledge and further help their success.

2.2 Implementation Phase in Inheritance

This stage is the most important stage to transfer the complete tacit knowledge of the family business. In this stage, it effectively transfers its subject and tacit knowledge, and connects its knowledge channels, and its successors also clearly take over. Will and demonstrate frequent interactions with the husband's heirs. There are two main ways to cultivate their heirs: theoretical education and practical inheritance. Theoretical education is the main way for the heirs to acquire knowledge and abilities. The heirs have basically acquired higher education than their parents. However, there is a certain problem with this method of learning. The heirs cannot use this knowledge in practice. For effective use. Another practice is to cultivate successors to participate in real work experience.

2.3 Adjustment Phase in Inheritance

This stage is the process of fully integrating tacit knowledge. It is necessary for the heirs to start the management of the family business and fully integrate the tacit knowledge that has been obtained in the management process. If tacit knowledge is obtained, The income can be consistent with the value judgment of the heirs. In this way, the heirs can contain their knowledge in the knowledge base. If they cannot meet their expectations or generate a certain value, these heirs will abandon those tacit knowledge. . This process is to ensure the intrinsic motivation and core competitiveness of its enterprise development. The parents and children will manage the enterprise at the same time, and the communication and quality of the two will be enhanced.

2.4 Heritage Completion Stage

This stage is the final stage of the intergenerational transfer of entrepreneurial tacit knowledge. At this time, the successor manages the enterprise alone, while the heirs provide effective guidance on the side, and continue to pass on tacit knowledge to it. Inheritors can expand tacit knowledge in the process of management and development.

Problems with tacit knowledge transfer in intergenerational inheritance.

2.5 Conflicts between Willingness to Inherit and Succession to Succession

The premise of intergenerational inheritance is that the willingness to inherit and the succession to succession are unified. The reason for the failure of some enterprise inheritance is that the incumbent entrepreneur is unwilling to give the power to manage the company completely to his own children, lacking confidence in their abilities, and even will Treated as a tacit competitor, it is easy to resist the transfer of tacit knowledge. These reasons have led to a low willingness of successors. And some heirs have certain obstacles to their identification and lack the spirit of endurance. At the same time, changes have been made to the institutional environment, which has made these heirs more willing to take over.

2.6 Successors and Inheritors Are Prone to Conflicts When Managing the Company

This mainly refers to the fact that in the intergenerational inheritance, the heirs have to enter the

enterprise to carry out practical work to accumulate relevant management experience and engage in some work activities. In the process, it has been shown to manage the enterprise. Values, goals, and practices have shown great differences, especially in daily business development activities, which lead to deviations in their management expectations and goals, which ultimately leads to politics. In addition, when solving the problems and problems faced by the company, there must be differences in the style, attitude and method of doing things, and the heirs enter the company in order to be able to make achievements and realize their ideas and ambitions. The method of doing things is more radical and innovative, hoping to change the status quo, but the parents are tending to a stable management method. The difference between the management methods and concepts of the two generations will inevitably cause a large conflict.

2.7 Emotional Negation and Dissatisfaction with Each Other

Among the intergenerational inheritance, the family relationship is the beginning, and the power relationship is relatively late. As a result, the impact of conflicts in their families is more profound than in the corporate environment, and their effects are more permanent. But the conflicts created are even more complicated. They are basically conflicts created by inequality focused on economic resources. In the early days of entrepreneurship, the parents devoted most of their body and mind to the development of their own business, while the family was neglected. Although the children obtained a considerable amount of financial resources in them, the communication with the parents was relatively reduced. The father's business has a strong resistance. In addition, in the process of starting a business, the pressure on his parents is greater, and his bad emotions will be brought to the family, which will adversely affect the formation of a harmonious atmosphere in the family. In addition, after children grow up and study, they will participate in the decision-making of family and business management. Due to the large differences in the environment, knowledge and experience of their growth, their views, values and cognitions on some things Etc. have a considerable impact.

3. Intergenerational Inheritance Strategies of Family Businesses Based on the Perspective of Tacit Knowledge Transfer

3.1 Improve the Cognition Level of Tacit Knowledge Transfer Value

The success of family intergenerational inheritance must be achieved by the transfer of tacit knowledge at the same time to further promote the long-term progress and development of the enterprise. Therefore, the current incumbent of the family business is required to formulate the inheritance plan and to clarify the importance of tacit knowledge transfer. And the meaning of value and the ability to consciously transfer knowledge such as active pricing under such a concept. In addition, the successor's awareness and importance of tacit knowledge inheritance must be improved, which must be Inheritance has a stronger sense of responsibility and mission, and can be more active in learning tacit knowledge.

3.2 Strengthening the Willingness of the Current Company to Transfer Knowledge

The incumbent of a family business is an important subject of tacit knowledge transfer. By effectively increasing his willingness to transfer tacit knowledge, he further enhances the effectiveness and efficiency of intergenerational inheritance. Incumbent entrepreneurs need to constantly update their knowledge reserves, continuously accumulate some of the knowledge they have learned about family businesses, and participate in different business courses to further make up for their shortcomings and keep up with the times Progress, strengthen the ability to execute, and will effectively turn into a corporate culture through learning. In addition, they must pass on their abilities to the heirs through the use of popular discourse. If the tacit knowledge cannot be displayed in language or written form, entrepreneurs need to communicate well with the heirs. Finally, the current incumbents of some enterprises are in the process of transferring power. They have psychological obstacles and are unwilling to actively talk about such power transfer. This is not

conducive to the successor to integrate their tacit knowledge and related capabilities. One or two need the heirs to understand the seriousness of this problem, and to clarify their own positioning, when and when to hand over power.

3.3 Enhancing the Sense of Mission and Ability of Inheritors to Transfer Knowledge

At present, some children of enterprises are in conflict or uninterested in the inheritance of the enterprise. Therefore, it is necessary to strengthen the succession of the successors of the enterprise and enhance their sense of mission and pride. The entrepreneurial spirit of the incumbent of the enterprise has a considerable promotion and encouragement role for the heirs, and some children have longing for and understanding of the concepts and values that parents hold in the process of establishing a business. Only when the successor has a certain intrinsic motivation for the learning of tacit knowledge, can heirs be able to efficiently and inherit tacit knowledge. And the heirs need to consciously undertake certain tasks in the management of the enterprise, create a certain pressure on themselves, and form good social relationships with different employees and their parents, so as to establish authority in the enterprise. In order to conduct different knowledge learning through job rotation, and improve the entire company's development and operation processes and processes, actively participate in the company's development and decision-making, and participate in decision-making activities in the company's future development strategy, further Internalize it as its own driving force for development and an internal core driving force for corporate rights communication.

4. Conclusion

This article studies the intergenerational inheritance of family businesses from the perspective of tacit knowledge, and summarizes the stages of inheritance, laying the theoretical foundation for this article. In addition, it focuses on the contradictions, conflicts, and Analyze the problem, and put forward feasible suggestions and strategies for this, and further help the family to inherit and improve its effectiveness.

Acknowledgement

Fund Project: The general project of Liming Vocational University in 2018 (LM2018104), a research on the inheritance model of family businesses.

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