

PREPARATION OF REGIONAL STRATEGIES AND TOOLBOX FOR BUSINESS SUCCESSION

D.T4.1.5

Final version of transnational strategy in EN
for introduction and advancement of
business transfer

1st Version
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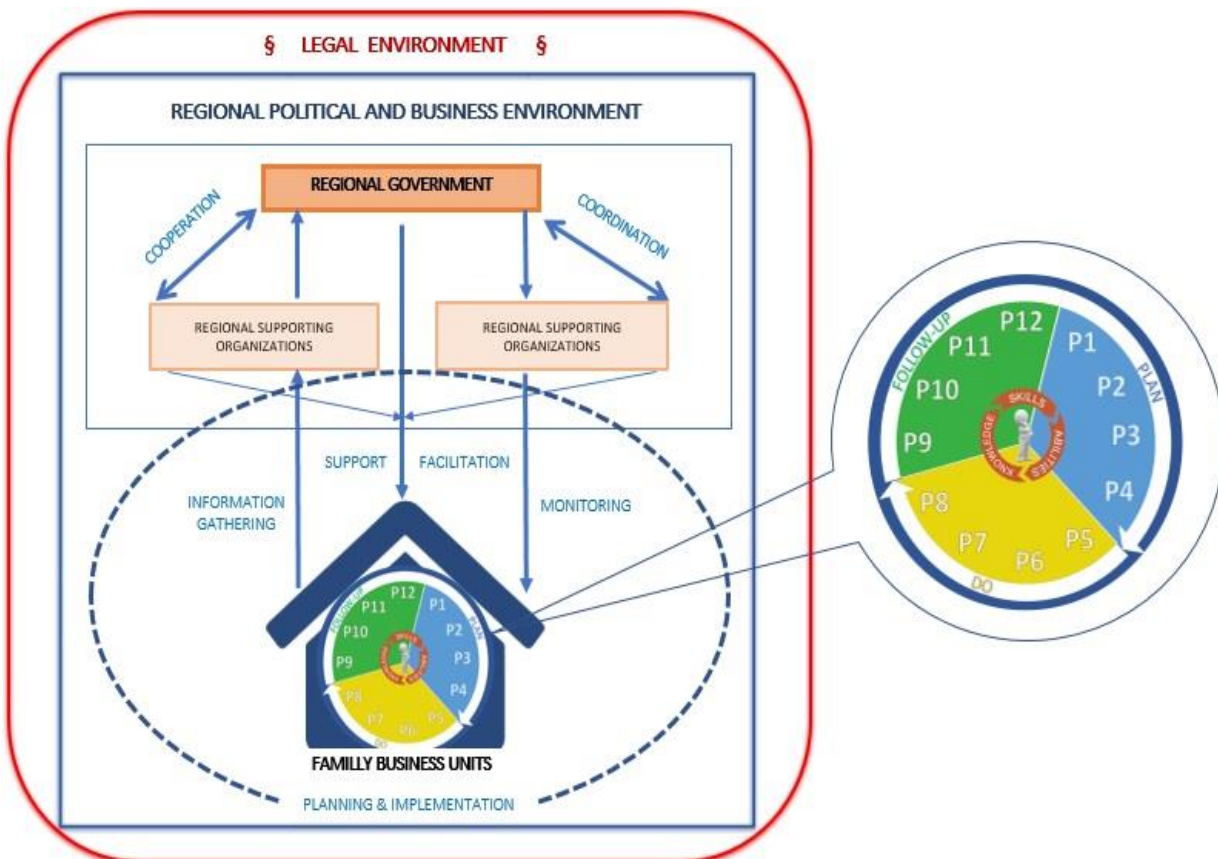
Introduction

This document is a final version of the transnational strategy for introduction and advancement of business transfer. The main purpose of the document is to serve as a guide for the public authorities for introduction and enhancement of the business succession process. Information included in the strategy covers all partner regions:

- Presov Region, Slovakia
- South Bohemia Region, Czech Republic
- Linz-Wels Region, Austria
- Dubrovnik-Neretva Region, Croatia
- Mazowieckie Region, Poland

The core and internal logic of the strategy is based on the **following scheme** which integrates the main components of the strategy from the point of view of the regional authorities: (a) the external macro-environment, (b) the external micro-environment, (c) the regional authorities, (d) the family business units, (e) the strategic tasks aiming at support of the FBUs.

The Strategy Fundamental Scheme



The macro-environment consists of the general legislative acts (laws & regulations) which directly or indirectly influence the regional authorities, such as the regional government and the non-profit supporting organizations, and their activities aimed at forming the regional political and business environment and supporting the FBUs. **The micro-environment** is represented by the family business units (FBUs) and the business succession process (BSP) in a form of the Family Business Succession Clock (FBSC).



The FBSC divides **the process** of business succession into 12 phases in 3 quadrants: Plan - Do - Follow-up. These phases are derived from general business succession models, and considered to be vital for a success of the process of family-business handover. Moreover, it incorporates **the resources** which are understood as the business owner's specific management skills & abilities needed for handling the business succession process.

The internal environment consists of the various regional authorities, such as the regional government and the non-profit supporting organizations, which form the regional political and business environment and support the FBUs in their activities. The key supporting activities of the public authorities have a form of the strategic tasks.

Following such framework, the strategy consists of the following main parts:

1. External analysis
2. Internal analysis
3. Strategic objectives
4. Strategic tasks
5. Strategic summary



External Analysis

Macro-environment: The Legal Requirements

The legal requirements represent relatively broad macro-environment influencing the regional authorities and their supporting activities. As the following tables show, the macro-environment consists of various legislative acts which somehow create the general legal framework. Their scope is derived from the specifics of national legislation. This is the reason why their number significantly varies in the partner regions.

| Austria | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Legislative Act | Validity |
| Inheritance Law Erbschafts- und Schenkungssteuergesetz https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10003850 | 2005 |
| Law Amending the Labor Contract Law Austrian AVRAG Arbeitsvertragsrechts-Anpassungsgesetz https://www.ris.bka.gv.at/GeltendeFassung.wxe?Abfrage=Bundesnormen&Gesetzesnummer=10008872 | 2019 |

| Croatia | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Legislative Act | Validity |
| Companies Law Zakon o trgovačkim društvima https://narodne-novine.nn.hr/clanci/sluzbeni/2011_12_152_3144.html | 1993 |
| Craft Law Zakon o obrtu https://narodne-novine.nn.hr/clanci/sluzbeni/2013_12_143_3065.html | 2013 |
| Family Law Obiteljski zakon https://narodne-novine.nn.hr/clanci/sluzbeni/2015_09_103_1992.html | 2014 |
| Inheritance Law Zakon o nasljeđivanju https://narodne-novine.nn.hr/clanci/sluzbeni/2003_03_48_604.html | 2003 |
| Labor Law Zakon o radu https://narodne-novine.nn.hr/clanci/sluzbeni/2014_07_93_1872.html | 2014 |
| Law on Financing of Local and Regional Government Units Zakon o financiranju jedinica lokalne i područne (regionalne) samouprave https://narodne-novine.nn.hr/clanci/sluzbeni/2017_12_127_2874.html | 1993 |
| Law of Mandatory Relations Zakon o obveznim odnosima https://narodne-novine.nn.hr/clanci/sluzbeni/2005_03_35_707.html | 2005 |

| Czech Republic | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Legislative Act | Validity |
| Civil Code Zákon občanský zákoník https://www.zakonyprolidi.cz/cs/2012-89 | 2012 |
| Government Resolution on Family Business in the Czech Republic Usnesení vlády ČR ze dne 13.5.2019 o vymezení rodinného podniku v ČR https://apps.odok.cz/attachment/-/down/RCIABCCDP8E7 | 2019 |
| Law of the Czech National Council on the Czech Chamber of Commerce and the Czech Chamber of Agriculture Zákon České národní rady o Hospodářské komoře České republiky a Agrární komoře České republiky https://www.zakonyprolidi.cz/cs/1992-301 | 1992 |
| Law on Commercial Companies and Cooperative Society Zákon o obchodních společnostech a družstvech (zákon o obchodních korporacích) https://www.zakonyprolidi.cz/cs/2012-90 | 2012 |
| Law on Support of Regional Development Zákon o podpoře regionálního rozvoje https://www.zakonyprolidi.cz/cs/2000-248 | 2000 |



| Poland | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Legislative Act | Validity |
| Act on Notary Public Law USTAWA z dnia 14 lutego 1991 r. Prawo o notariacie http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU20020420369/U/D20020369Lj.pdf | 1991 |
| Act on Succession Management of Sole Proprietorship USTAWA z dnia 5 lipca 2018 r. o zarządzie sukcesyjnym przedsiębiorstwem osoby fizycznej http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU20180001629/T/D20181629L.pdf | 2018 |
| Act on Tax on Civil Law Transactions USTAWA z dnia 9 września 2000 r. o podatku od czynności cywilnoprawnych http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU20050410399/U/D20050399Lj.pdf | 2000 |
| Act on Tax on Inheritance and Donations USTAWA z dnia 28 lipca 1983 r. o podatku od spadków i darowizn http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU20041421514/U/D20041514Lj.pdf | 1983 |
| Administrative Procedure Code USTAWA z dnia 14 czerwca 1960 r. Kodeks postępowania administracyjnego http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU20000981071/U/D20001071Lj.pdf | 1960 |
| Civil Code USTAWA z dnia 23 kwietnia 1964 r. Kodeks cywilny http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU19640160093/U/D19640093Lj.pdf | 1964 |
| Civil Procedure Code USTAWA z dnia 17 listopada 1964 r. Kodeks postępowania cywilnego http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU19640430296/U/D19640296Lj.pdf | 1964 |
| Code of Commercial Companies USTAWA z dnia 15 września 2000 r. Kodeks spółek handlowych http://isap.sejm.gov.pl/isap.nsf/download.xsp/WDU20000941037/T/D20001037L.pdf | 2000 |
| Labor Code USTAWA z dnia 26 czerwca 1974 r. Kodeks pracy http://prawo.sejm.gov.pl/isap.nsf/download.xsp/WDU19980210094/U/D19980094Lj.pdf | 1974 |

| Slovakia | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Legislative Act | Validity |
| Commercial Code Obchodný zákoník https://www.zakonypreludi.sk/zz/1991-513 | 1991 |
| Commercial Register Act Zákon o obchodnom registri a o zmene a doplnení niektorých zákonov https://www.zakonypreludi.sk/zz/2003-530 | 2003 |
| Employment Services Act Zákon o službách zamestnanosti a o zmene a doplnení niektorých zákonov https://www.zakonypreludi.sk/zz/2004-5 | 2004 |
| Labor Code Zákonník práce https://www.zakonypreludi.sk/zz/2001-311 | 2001 |
| Law on Support for Small- and Medium-sized Enterprises Zákon o podpore malého a stredného podnikania https://www.zakonypreludi.sk/zz/2016-290 | 2016 |
| Regional Development Promotion Act Zákon o podpore regionálneho rozvoja https://www.zakonypreludi.sk/zz/2008-539 | 2008 |
| Small Business Act Zákon o malých a stredných podnikoch http://www.sbagency.sk/zakon-o-malych-a-strednych-podnikoch-small-business-act | 2011 |
| Trade Act Zákon o živnostenskom podnikaní (živnostenský zákon) https://www.zakonypreludi.sk/zz/1991-455 | 1991 |

Micro-environment: The Business Succession Process in the FBUs

The micro-environment consists of the family business units in which the business succession process is realized. Following the logic of the Family Business Succession Clock, this part is aimed at the process-based analysis and the resource-based analysis. The process-based analysis elaborates 12 phases of the FBSC into detail. The resource-based analysis examines the business owner's specific management skills & abilities needed for handling the business succession process.



Planning Phase

This phase of the FBSC includes the activities which help business owner to prepare the business succession process and unfreeze a change in business leadership. **The following table briefly describes 4 phases (processes) which are vital for successful planning of the family-business handover.**

| Phase Description | | Phase Result | Time |
|-------------------|-----------------------------------------------|--------------------------------------------------------------------------------------|------|
| P1 | Setting main expectation and goals | Clear evidence about preferable state of the business succession process | 5 % |
| P2 | Business analysis & communication | Assessment of the internal environment readiness for the business succession process | 10 % |
| P3 | Stakeholder analysis & communication | Assessment of the external environment readiness for the business succession process | 10 % |
| P4 | Identification of the business succession gap | Identification of the gap between preferable state and the environment readiness | 5 % |

As the planning process is goal-oriented by its nature, the first step of the planning phase must lie in setting main expectation and goals of the business owner. He/she should take into consideration his/her own motivation to the family-business handover, and set the expected results of the BSP. After that, the set of clear and SMART goals related to the BSP has to follow. Although this phase should not take long, it must not be omitted. It is the only way how the business owner can get a clear picture about preferable state of the business succession process.

The business owner should briefly analyze a readiness of the internal and external environment for the BSP after this opening stage. He/she must confront his/her goals and expectations with business reality of his/her family-business and expectations of its stakeholders. The vital part of this stage lies in communication with all internal and external stakeholders. They must have solid and up-to-date information about the business succession process and have a chance to express their point of view at the same time. The business owner should take the results into consideration carefully and be ready to make some alterations to his/her own goals and expectations.

The last step consists of an identification of the business succession gap. This term can be understood as the gap between business owner's preferable state (P1) and the business environment readiness for a change in business leadership (P2 and P3). It is worth to formalize the gap in a brief written form and think about its roots and weight. This process should help the business owner to set the right steps of the following stages focusing on seeking the best possible successor.

The following table contains seven management skills & abilities (resources) which are considered to be vital for the planning phase of the FBSC. The resources are sorted based on an opinion of the business owners who were involved in a survey. The survey had a form of in-depth interviews covering owners from different-size family business units. The respondents evaluated the resources on seven-points scale in a range of "extremely useful" (7) to "extremely useless" (1).

| Resources | Average | Median |
|----------------------------------------|---------|--------|
| Communication & negotiation | 6,25 | 6,50 |
| Analyzing | 5,75 | 6,00 |
| Forecasting | 4,50 | 4,00 |
| Logical thinking | 3,75 | 4,00 |
| Critical thinking | 3,00 | 2,50 |
| Diplomacy | 2,75 | 2,50 |
| Goal orientation | 2,00 | 2,00 |

If we take a look at the average scores, we can distinguish the category of key abilities needed for the planning phase: (a) communication & negotiation skills (soft skills), (b) analyzing & forecasting (hard skills). This combination fits the planning phase purpose which should help the business owner to prepare the business succession process and unfreeze a change in business leadership. The communication &



negotiation skills are vital for communication with all internal and external stakeholders. However, the majority of the process requires rather hard skills consisting of analyzing the current situation and predicting the nearest future. Two more hard skills, such as logical and critical thinking, are considered to be useful in this phase. The business owner should use these skills when thinking about his/her goals and expectations, and also in time of identification of the business succession gap.

In addition, the survey was focused on some possible failures / risks the business owner must be aware of when going through the business succession process. He/she must be aware of **the following possible failures** causing him/her serious difficulties during the planning phase of the business succession process:

- subjective based business & stakeholder analysis
- inappropriate communication of the change
- unrealistic expectations & unattainable goals

Realization Phase

This phase of the FBSC includes the activities which help the business owner to perform the business succession process and realize a change in business leadership. **The following table briefly describes 4 phases (processes) which are vital for successful realization of the family-business handover.**

| Phase Description | | Phase Result | Time |
|-------------------|----------------------------------------|-----------------------------------------------------------------------------------------------|------|
| P5 | Setting successor's preferable profile | Identification of successor's characteristics needed for closing the business succession gap | 5 % |
| P6 | Successor selection | Identification of the most promising successor capable of closing the business succession gap | 5 % |
| P7 | Successor training | Improvement of successor profile to be vital in closing the business succession gap | 25 % |
| P8 | Successor implementation | Change in business leadership from the business owner to the successor | 5 % |

The core of the realization phase lies in implementation of the successor in a way which leads to closing the business succession gap. After analyzing the gap, the business owner has to think about the successor's preferable profile. He/she needs to identify the key successor's personal and business characteristics which meet not only his/her expectation, but also the business reality. In such a way the business owner defines a set of criteria for successor selection. Although the selection process has many forms, all of them have to lead to identification of the most promising successor capable of closing the business succession gap. This rather demanding approach should minimize some future conflicts between new owner and various groups of internal and external stakeholders, and maximize success of the family-business handover at the same time.

It is evident that the previous steps have direct link to the results of the planning phase. The next steps are focused on realization of the business succession process. The most time-demanding stage is successor training. From the point of view of the Family Business Succession Clock logic, the training process must be aimed at improvement of the successor profile to be vital in closing the business succession gap. The business owner should help the successor during the adaptation process and develop all successor's characteristics which were the key for his/her selection. This stage is a period of time when the business owner is slowly leaving the business and the successor is taking over it. The final successor implementation in the business is the last step of the realization phase. The successor should have all necessary skills, abilities and knowledge to run the business solely in this time. The business owner leaves the family-business and hands it over to the successor in a role of the new owner of the business.

The following table contains the management skills & abilities (resources) which are considered to be useful for the realization phase of the FBSC.



| Resources | Average | Median |
|-----------------------------|---------|--------|
| Motivation | 5,50 | 5,50 |
| Communication & negotiation | 5,00 | 6,00 |
| Organizing | 4,50 | 4,00 |
| Decision-making | 4,50 | 4,50 |
| Critical thinking | 3,50 | 3,50 |
| Empathy | 2,75 | 2,50 |
| Self-discipline | 2,25 | 2,00 |

The abilities and skills needed for this phase of the FBSC can be sorted into the soft skills and the hard skills categories as in the previous case. The soft skills - motivation, communication, negotiation - play the main role from the point of view of the respondents. They consider these skills useful mainly during the training process and the process of successor implementation. These processes require intensive communication between the business owner and the successor on daily basis. Moreover, the successor must be assured of handling the business succession process. The hard skills - organizing and decision-making - are vital for this phase as well. The owner uses his/her organization skills during the whole phase with more emphasis on the process of successor implementation. The phase of setting successor's preferable profile and subsequent successor selection are based on decision-making theory. Good owner's ability for decision-making is needed for this phase and it is logically considered as useful by the respondents.

The business owner must be aware of **the following possible failures** causing him/her some difficulties during the realization phase:

- self-projection to successor's profile
- inappropriate successor's training
- excessive demands on successor's profile
- lack of confidence
- emotional based selection of successor
- lack of constructive feedback
- influence peddling

Closing Phase

This phase of the FBSC includes the activities which help the business owner to fix the business succession process and refreeze a change in business leadership. **The following table briefly describes 4 phases (processes) which are vital for successful closing of the family-business handover.**

| Phase Description | | Phase Result | Time |
|-------------------|---------------------------------------------------|-----------------------------------------------------------------------------------------------------|------|
| p9 | Legal ensuring of the business succession process | Set of legal instruments fixing a change in business leadership | 5 % |
| P10 | Setting a new role for successor | Setting of new relations between the owner and the successor within the business succession process | 5 % |
| P11 | Successor counseling | Consultation oriented towards an improvement in adaptation process | 10 % |
| P12 | Stakeholders counseling | Consultation oriented towards an improvement in adaptation process | 10 % |

In spite of the fact that the successor has already run the business, the business succession process should not end in this time. It is quite important for both the business owner and the successor to fix the process of a change in business leadership. The formal way how to fix the process is its legal ensuring. The form of legal ensuring is dependent on particular national legal system. However, the existence of some legal instruments related to the business succession process is highly probable in all countries. The legal ensuring not only crowns the family-business handover by law, it prevents some possible conflicts



between the business owner and the successor in future. Moreover, the conflicts can be prevented by proper setting of a new role for the business owner too. This informal way of fixing the business succession process creates new relations between the owner and the successor for future. It is important to clearly set their relationship and define some framework or boundaries to prevent an influence peddling from owner's side.

The last two steps of the closing phase are focused on owner's counseling towards the successor and business stakeholders. The extent of counseling activities depends on the previous step, i.e. owner's new role. Nevertheless, there is a high chance that some informal consultations oriented towards the adaptation process significantly smooth the path for the successor. That is why the counseling activities are strongly encouraged although they represent additional strain for the business owner.

The following table contains the management skills & abilities (resources) which are considered to be useful for the closing phase of the FBSC.

| Resources | Average | Median |
|-------------------------------|---------|--------|
| Communication & negotiation | 6,50 | 7,00 |
| Awareness of applicable laws | 5,00 | 4,50 |
| Organizing | 4,25 | 5,00 |
| Empathy | 3,50 | 3,50 |
| Self-discipline | 3,25 | 3,00 |
| Delivering effective feedback | 3,00 | 2,50 |
| Mentoring | 2,50 | 2,50 |

It is evident that the communication and negotiation skills dominate. The respondents see their importance primarily in the phase of successor and stakeholders counseling. They stress a need of in-depth communication during these phases and consider it as a master "umbrella" for subsequent skills of mentoring and delivering effective feedback. The awareness of applicable law is a special skill of the closing phase. The respondents find this skill very useful when making legal ensuring of the business succession process. The organizational skills can be considered as the key skills due to their high average score. However, the respondents' evaluation varies a lot in this case. Their evaluation is dependent on their experience with the process of setting a new role for the business owner during which the skills are supposed to be useful. Some respondents were able to find a new role for the owner relatively easy without any requirements on their organizational skills. Some of them had an opposite experience causing a high demand on their organizational skills.

Once again, there might be **some possible failures** causing the business owner troubles during the closing phase:

- negligence of the mandatory legal acts
- putting too much pressure on the successor and business stakeholders
- breaking new successor's role
- offensive way of the counseling process



Internal Analysis

The regional authorities can be considered as the subjects of the internal environment directly influencing the FBUs and the business succession process. Although their number, scope and activities differ significantly in every region, we can distinguish two broad categories: (a) the regional governments and (b) the non-profit supporting organizations.

The following tables contain **basic information about the regional authorities** which are allocated in the partner regions. The organizations are subject of the follow-up analysis. Its aim is to map their supporting activities and assess how intensively the activities cover the business succession process, and help the FBUs to overcome their issues at the same time.

| Austria: Linz-Wels Region | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Regional Government | |
| Office of the Regional Government of Upper Austria https://www.land-oberoesterreich.gv.at | |
| Regional Supporting Organizations | |
| WKO Oberösterreich http://wko.at/ooe | The Upper Austrian Chamber of Commerce is the professional and emotional home for all entrepreneurially thinking people in this country - for more location and quality of life in Upper Austria. With its expertise and lobbying power, the Upper Austrian Chamber of Commerce provides framework conditions for entrepreneurship and actively creates partnership-based solutions for location development. The Upper Austrian Chamber of Commerce offers professional information and consulting services (e.g. labor law, customs information, etc.) to support the growth and security of businesses. The Upper Austrian Chamber of Commerce ensures future-oriented knowledge and qualification of its member companies and their employees. With educational institutions such as the WIFI and universities of applied sciences, they contribute to strengthening the competitiveness of the domestic economy. |
| Gründerservice www.gruenderservice.at | The service point Gründerservice OÖ offers targeted support in the implementation of your successor project - both for transferors and for successors through: <ul style="list-style-type: none"> • Active management of the successor exchange Upper Austria incl. background database (not available on the internet) • Business consultations • Financing and promotion consulting • Seminars, workshops and talk days with experts • Succession consulting / Founder consulting / Team consulting • Support in the creation of succession plans • Free initial consultations |
| Junge Wirtschaft www.jungewirtschaft.at | Junge Wirtschaft (JW) is the largest interest group for young self-employed people in Austria and represents more than 120,000 young entrepreneurs between the ages of 18 and 40. The federal organization is located in the Austrian Federal Economic Chamber, the JW regional organizations in the respective nine regional chambers. There are also 100 district and project groups. For its members, the Junge Wirtschaft is at the same time a lobby, a competent service provider and a network platform. |

| Croatia: Dubrovnik-Neretva Region | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Regional Government | |
| Dubrovnik Neretva Regional Office http://www.edubrovnik.org/en/ | |
| Regional Supporting Organizations | |
| Croatian Chamber of Economy County Chamber Dubrovnik https://www.hgk.hr/zupanijska-komora-dubrovnik | The Chamber of Economy provides education, information and advisory assistance to the members. It organizes business meetings of domestic and foreign businessmen, performances at fairs, and activities related to improvement of business quality. It provides contact information about the institutions which provide support in the process of business transfer. |
| Croatian Chamber of Craft Dubrovnik-Neretva County Chamber http://www.du-hok.net | The Chamber of Craft offers consultations in the area of economy, taxes, customs, accounting, financing. It provides all relevant information about the transfer process of the craft. It also offers the master exams, and professional exams. |
| Entrepreneurship Center Dubrovnik Neretva County Chamber https://www.centar-za-poduzetnistvo.hr | The Entrepreneurship Centre offers business consultations (info point), entrepreneurial education, both for existing entrepreneurs and for those who intend to become and connecting among entrepreneurs. |



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| Czech Republic: South Bohemia Region | |
| Regional Government | |
| Regional Authority of the South Bohemian Region www.kraj-jihocesky.cz | |
| Regional Supporting Organizations | |
| CzechInvest South Bohemia Region Office https://www.czechinvest.org | <p>CzechInvest promotes the Czech Republic abroad as a suitable destination for investments. It is the exclusive organization that may submit applications for investment incentives to the governing bodies. The agency also supports Czech firms that are interested in becoming involved in the supply chains of multinational companies.</p> <p>Through its services and development programs, CzechInvest contributes to the development of domestic firms, Czech and foreign investors and the business environment as a whole.</p> <ul style="list-style-type: none"> • Mediation of contact with state administrative bodies and local authorities • Partnering with entities in the research and development and academic spheres • Assistance for the development of innovative start-up firms by means of the agency's programs • Advises and supports existing and new entrepreneurs and foreign investors in the Czech Republic, supports innovations, startups, science and research, has its own financial support programs |
| South Bohemian Chamber of Commerce https://www.jhk.cz | <p>The South Bohemian Chamber of Commerce cultivates the area of business:</p> <ul style="list-style-type: none"> • It gives economic advice to entrepreneurs (advises and supports to existing and new entrepreneurs) • It lobbies for the development of business areas • It observes site of the central administrative authorities • It observes a draft law |
| South Bohemian Science and Technology Park www.jvtp.cz | <p>South Bohemian Science and Technology Park (JVTP) was founded by the South Bohemian Region in 2008 with the aim to support intensity, quality and speed of spreading the innovation and technology transfer to the regional economy.</p> <p>Mission and purpose of JVTP is to support entrepreneurship in the region. JVTP in the new building offers environment in a form of equipped laboratories, offices, seminar rooms or technology halls, and also provides to settled enterprises all what they need for their activities. Service of JVTP are preparation of business plans and studies, assistance to preparation of research and developmental projects or financial plans. Another provided service is a grant consultancy including framework program, facilitation to academia-business cooperation or monitoring of new research findings and technology trends. Part of the service is the assistance to ensuring intellectual property rights protection.</p> <p>Thanks to the project "Enter Transfer" JVTP will have the clear strategy of succession in business firms which will also be part of the new Program of Regional Development. On the base of this strategy the team of JVTP specialists will be able to provide business firms with advisory services.</p> |

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| Poland: Mazowieckie Region | |
| Regional Government | |
| Office of the Marshal of the Mazowieckie Voivodeship https://www.mazovia.pl/en/the-office-of-the-marshal-/general-information | |
| Regional Supporting Organizations | |
| Chamber of Commerce and Industry of the Radom Region https://radomskibiznes.pl | <p>The objectives of the Chamber of Commerce and Industry of the Radom Region concern, among others, the promotion and support of entrepreneurship and economy, carrying out information activities and the provision of information, organizational, advisory and legal assistance to the Chamber's members. According to the Statute, the Chamber of Commerce:</p> <ul style="list-style-type: none"> • Contributes to the creation of conditions for the development of the economy and support the economic initiatives of members • Organizes or creates conditions for resolving disputes through amicable and conciliation proceedings and participate in court proceedings related to the business activities of its members • Gives opinions about existing business practices |
| Chamber of Crafts and Small Entrepreneurship in Radom http://www.izbarzemiosla.radom.pl | <p>The Chamber of Craft and Small Entrepreneurship is a socio-professional and economic organization of craftsmanship, micro and small entrepreneurship and employers' organization.</p> <p>The Chamber's task is to represent associated organizations in relation to administration and institutions, providing them with instructional and advisory assistance and conducting qualifying examinations.</p> <p>The Chamber's tasks include in particular:</p> <ul style="list-style-type: none"> • Running and developing socio-economic activities for affiliated organizations • Providing comprehensive assistance to associated organizations in the implementation of their statutory tasks and members of these organizations, primarily in the form of instruction and advisory activities • Organizing various types of trainings for young people and adults in the areas of taxation, financial affairs, program training, in the extracurricular system preparing for journeyman and master examinations |
| Family Enterprise Initiative Mazowieckie Region Office http://firmyrodzinne.pl | <p>Family Enterprise Initiative promotes and supports the business model based on family ties and organizational culture with a deep social dimension.</p> <p>In particular, the association's aims are:</p> <ul style="list-style-type: none"> • Integrating the environment of family businesses • Supporting the activity of family businesses • Supporting and promoting ethical standards in running a business • Supporting and promoting the idea of economic freedom • Supporting and promoting the idea of the rule of law and civil society |



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|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Slovakia: Presov Region | |
| Regional Government | |
| Regional Office of the Presov Self-governing Region https://www.po-kraj.sk/en/welcome.html | |
| Regional Supporting Organizations | |
| Regional Advisory and Information Centre Presov https://www.rpicpo.sk | <p>Regional Advisory and Information Centre Presov (RPIC Presov) as an independent organization of nonprofit character creates the conditions for the development of small and medium sized enterprises as an important factor of the regional development. It provides its services to its clients to develop the region from the socio-economical point of view as well as to integrate the region into European economic structures.</p> <p>RPIC Presov provides wide scale of business support services, such as providing information about the latest economic tendencies, legislative regulations and changes in this country creating thus a transparent idea of the possibilities of entrepreneurial activities in Slovakia, as well about the latest programs and initiatives of the European Union related to the support of small and medium sized enterprises, about the new opportunities on foreign markets. It also provides advisory services for new entrepreneurs, and is able to provide professional advisor help.</p> <p>They advise in all areas of business activities which are affected by the European Union measures, whether it concerns the legislative regulations, customs rules or standards accepted within the European Union.</p> <p>They provide education to potential and existing entrepreneurs so that they can acquire the basic managing abilities and necessary knowledge to manage their firms on their own by organizing seminars, trainings and workshops. Other activities include assistance with securing financing for starting businesses, mediation etc.</p> |
| First Contact Centers Presov Region Office http://www.cpk.sk/web | <p>These Centers provide easy access for entrepreneurs to the necessary consulting and information services. The main mission of the Centers is to provide services to contribute to the improvement of the business climate and business structure in the region, to promote the creation of new job opportunities through an active policy and to increase the competitiveness of SMEs in the region at European level through advisory and information services. Their activities are mainly focused on:</p> <ul style="list-style-type: none"> • Support and development of small and medium-sized enterprises and start-ups • Facilitating access to support programs financed from state and other public sources (financial programs, counseling, education, etc.) • Providing information on possible financial resources • Internet information services • <u>Networking and promoting business-public dialogue</u> |
| East Slovak Investment Agency https://www.agenturavia.sk | <p>The East Slovak Investment Agency was established due to the need for steps eliminating long-term worsening of the economic position of the East Slovak Region and its citizens.</p> <p>Services provided include these:</p> <ul style="list-style-type: none"> • Preparation of sector and market analyses • Consulting services • Looking for production and business partners • Attracting investors • Mergers and acquisitions • Turn-key establishment of a company • Assistance concerning contact with authorities and institutions • Organizing professional/technical seminars and other specialized events • Maintaining well-established contacts with existing investors |

Activities of the Regional Governments

The aim of the survey is to map how intensively the regional governments pay attention to specific problems of the family business units when forming general economic environment in the region.

I. General knowledge about the family business units in the region

| Do you know how many family business units operate in your region? Do you have any information about their size and field of their business activity? | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Region | Assessment | Comment |
| Linz-Wels Region | Yes | The government has full information about the number of FBUs, their size and field of activity. |
| Dubrovnik-Neretva Region | No | The government is still gathering the data and developing the FBUs' database. |
| South Bohemia Region | No | The government has no information about regional FBUs. However, the information is gathered by government's agency - the South Bohemian Science and Technology Park. |
| Mazowieckie Region | Partially | The government has some general information about the number of FBUs, their size and field of activity. |
| Presov Region | Partially | We are aware of the existence of dozens of family business units in our region. These entities generally fall into the category of micro / small enterprises. |



| Do you know what are the main problems the family business units are facing with? Could you name some examples of the most significant problems? | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Region | Assessment | Comment |
| Linz-Wels Region | Yes | The main problems: availability of capital for investments, recruitment of skilled workers and apprentices, tax and duty ratios, administrative effort, bureaucratic hurdles, transfer of business / succession issues, adaptation to new or changed framework conditions |
| Dubrovnik-Neretva Region | Partially | The main problems: successor's identification and selection, lack of information how to handle the business succession process |
| South Bohemia Region | Partially | The main problems: absence of any legal framework for family businesses or for family business succession |
| Mazowieckie Region | Partially | The main problems: rising labor costs, political uncertainty, increasing competition on a market, uncertainty about FBU's position on a market after a change in its leadership |
| Presov Region | Partially | The main problems: risk of failure in a market, lack of experienced and loyal staff |

II. Strategy for development of the family business units in the region

| Are the specific issues of the family-owned business incorporated in the strategy of (economic) development of your region? | | |
|-----------------------------------------------------------------------------------------------------------------------------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Region | Assessment | Comment |
| Linz-Wels Region | Yes | The regional strategy contains the following related parts: Corporate Finance & Subsidies, Administration & Legislation, Human resources for the economy, Taxes / levies, Innovation, Internationalization, Sustainable corporate success |
| Dubrovnik-Neretva Region | No | The issue of the family-owned business is not a part of the regional strategy. However, it should be incorporated in near future. |
| South Bohemia Region | No | The Regional Development Program of the South Bohemia Region just mentions a general need to support family businesses. |
| Mazowieckie Region | No | Issues regarding family businesses are not specifically included in the Development strategy for the Mazowieckie Voivodeship until 2030 nor in Regional Innovation Strategy for Mazovia until 2020. |
| Presov Region | No | The issues specifically related to the family-owned business are not incorporated in the regional development strategy. |

| Do you have any specific (formal) strategy for development of the family-owned business in your region? If so, could you name it? | | |
|-----------------------------------------------------------------------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Region | Assessment | Comment |
| Linz-Wels Region | Yes | Strategy for SMEs and family businesses Upper Austria 2030 |
| Dubrovnik-Neretva Region | No | There is no specific strategy for the development of family businesses in the region. Strategy elaboration is in progress. |
| South Bohemia Region | No | There is no specific strategy for the development of family businesses in the region. There is only a special section for family entrepreneurship on the regional portal "Podpora podnikání". |
| Mazowieckie Region | No | There is no specific strategy for the development of family businesses in the region. |
| Presov Region | No | We have no knowledge of such a strategy. |

| Is there any department / organization / unit which is responsible for implementation of the strategy for development of the family-owned business in your region? | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Region | Assessment | Comment |
| Linz-Wels Region | No | The establishment of special working groups consisting of representatives of the Office of the Upper Austrian Provincial Government and the Upper Austrian Chamber of Commerce, among others, is planned for the further elaboration and specification of the priority and other measures. |
| Dubrovnik-Neretva Region | No | We hope that the department responsible for implementing the strategy will be established in future. |
| South Bohemia Region | No | Development of the business environment in the region is generally handled by the Regional Development Department. It cooperates with government's organization (JVTP) and other thematic organizations in the region. |
| Mazowieckie Region | No | There is no department/organization/unit in the region that deals solely with the development strategy of family-owned businesses. The Polish Craft Association, which also operates in Mazovia, represents the interests of crafts and micro and small enterprises, as well as organizations associated in the Union towards authorities, government administration and local government units, courts as well as trade unions and employee organizations. It is an organization that may have associated family businesses in its structures, but it does not deal only with this type of enterprise. |
| Presov Region | No | We have no knowledge of such a unit. |



III. Support of the family business units in the region

| Do you (regularly) realize any activities / projects aimed at support of the family-owned business? | | |
|-----------------------------------------------------------------------------------------------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Region | Assessment | Comment |
| Linz-Wels Region | Yes | Activities: start-up service / succession platform, consulting, information events and workshops (financial, legal aspects), trade fairs, support of innovations, cooperation projects, training & lectures |
| Dubrovnik-Neretva Region | Yes | Activities: consultation focused on solving problems, lectures (education) |
| South Bohemia Region | Yes | Activities: administration of the web portal "Podpora podnikání", participation in regional family business conference |
| Mazowieckie Region | Partially | Activities: various activities under the Interreg Europe project "Increasing competitiveness and sustainable development of European SMEs through procedures and models" which main goal is to prepare and manage changes in the succession of manufacturing enterprises |
| Presov Region | Partially | Activities: various activities under the schemes of EU funded projects focused on development of the SMEs |

| Do you (regularly) offer your supporting activities (projects) to family business owners? How do you communicate your supporting activities? | | |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Region | Assessment | Comment |
| Linz-Wels Region | Yes | Communication: online communication, informational letters, regional newspapers, social media |
| Dubrovnik-Neretva Region | Yes | Communication: mailing list (e-mails), newsletter, website, participation in specific events |
| South Bohemia Region | Yes | Communication: direct communication through JVTP, communication with other organizations in the region, websites of the regional government, web portal "Podpora podnikání", participation in conferences, seminars |
| Mazowieckie Region | Yes | Communication: direct communication at the Office of the Marshal of the Mazowieckie Voivodeship, websites of the regional government and subordinate units, mailing list (e-mails), participation in specific events, social media |
| Presov Region | Yes | Communication: websites of the regional government, e-mails, participation in specific events |

| Do you have some key future intentions in the sphere of support of family-owned business in your region? | | |
|----------------------------------------------------------------------------------------------------------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Region | Assessment | Comment |
| Linz-Wels Region | Yes | The central perspective with a focus up to 2030 is that SMEs and family businesses will continue to form the strong backbone of the Upper Austrian economy in 2030. Against the background of increasing global competition, Upper Austrian SMEs and family-owned enterprises are taking advantage of their opportunities - e.g. in terms of internationalization and innovation - and are characterized by sustained business success, which is why they continue to function as an essential job engine for Upper Austria. In addition, they contribute to a certain stability of the Upper Austrian SME sector and form the foundation for Upper Austria's economic resilience. With focus on 2030, Upper Austria itself represents an attractive region for efficient and competitive companies, especially for those with high growth potential. |
| Dubrovnik-Neretva Region | Partially | We will maintain our current supporting activities and if necessary we will expand them, depending of our members and their needs. |
| South Bohemia Region | Yes | Elaboration of "Ten recommendation for business development" stipulated by the Czech government to specific measures and actions which will applicable in the South Bohemia Region. |
| Mazowieckie Region | Yes | Business Environment Institutions as part of the 'Modeling System of Offers for Innovation' project implemented under ROP WM 2014-2020 will create and implement new services that will help in the development of SMEs (including family enterprises) in accordance with the region's development trends identified as smart areas specialization. |
| Presov Region | N/A | N/A |

Summary

The results clearly show high level of heterogeneity between the regions when comparing their activities related to specific problems of the family business units (FBUs). The above-mentioned differences rise primarily from the insufficient specification of the FBUs in national legislation. The FBUs are considered to be mostly a part of micro, small and medium enterprises (SMEs). This is why the regional governments hardly recognize specifications of the FBUs and have a tendency to overlook their specific problems when forming general economic environment in the region.

Just the government of the Linz-Wels Region declares a precise knowledge about the FBUs' number, size and field of their business activity. Other regional governments have rather more general or partial information about actual situation on a market of family-owned businesses. Two representatives of the



governments declare absolutely no information basis about the FBUs in their regions as they cover just the small and medium enterprises operating in their regions.

This issue is reflected by an insufficient level of knowledge about the family-owned business market. Just the Austrian regional government declares an accurate idea about the main problems of family-owned business. Other regional governments have rather partial or general information which often corresponds to the problems of the SMEs. If we summarize the main issues the FBUs are facing with, they are linked with (a) a lack of deep knowledge how to handle the handover process, (b) an uncertainty about the business results / business position on a market after a change in business leadership, (c) lack of experienced and loyal staff supporting family business, and (d) a lack of general information about legislative framework of the business succession process.

There is no surprise that the issues of the FBUs have just limited strategic attention from the side of the regional governments. The only exception is represented by the Linz-Wels Region which government applies strategic approach by the Strategy for SMEs and family businesses Upper Austria 2030. However, none of the regions have any specific unit/department which is responsible for implementation of a strategy and coordination of the supporting activities in particular region. Professional associations play more important role in this case.

All the regional governments declare some kind of supporting activities aimed at the FBUs/SMEs. However, the majority of them consists of passing general information or giving some consultations / seminars, or workshops. The widest range of supporting activities is arranged by the Linz-Wels Region. It includes some extra activities such as start-up service / succession platform, cooperation activities or support of innovations in the FBUs. Two regional governments link their supporting activities with the EU-funded projects focusing on a development of the SMEs in the regions. The FBUs are informed about the activities mostly via online communication tools. Face-to-face communication is often used by the regional governments as well.

The representatives of regional governments declare some future intentions in supporting of the FBUs. Its scope and orientation differs significantly between the regions. As the Linz-Wels Region applies the strategic approach, its government has a solid idea how to support the FBUs in future. Upper Austria's goal is that the SMEs and FBUs will become a strong backbone of the regional economy by 2030. The government will implement a set of supporting activities in various fields to reach this goal. Unfortunately, the other regions have less specific intentions. The Dubrovnik-Neretva Region is planning to continue in the current form of support. The South Bohemian Region is planning to modify Czech government recommendations for business development and apply them in the region. The Mazowieckie Region would like to expand its services based on the outputs of the currently running ROP project.

In the end we can summarize the results into the following opportunities for improvement. The crucial opportunity lies in application of strategic approach to development of the FBUs. The solid analysis of the FBUs structure, needs and problems is its vital condition. The next opportunity lies in existence of any kind of plan purely devoted to the FBUs. It should be a relatively simply plan mapping the actual situation in the region, defining FBUs' main problems related to business succession process and their business activities, and having an initial set of recommendations how to help the FBUs in their activities. After that, the structure of supporting activities can be derived from the plan. Thanks to this approach, the activities can be more specific and better targeted on the real problems of the FBUs. It is not necessary to provide these activities directly by the governments; they can delegate the direct support of the FBUs to various kinds of the regional supporting organizations and ensure them financial and non-financial resources.

Activities of the Regional Supporting Organizations

The aim of the survey is to map what kind of support the regional organizations provide to family-business owners. The next aim is to identify the problems the FBUs are facing with.



I. Support of the family business units in the region

The following questions are focused on specific management skills & abilities which were identified as useful for the BSP. The activities are ranked on a scale which indicates how the respondents perceive a level of satisfaction of the family-business owners with the supporting activity. Scale range: 1 = the lowest level of satisfaction, 5 = the highest level of satisfaction. The table shows the average marks.

| Supporting Activities / Regions | Linz-Wels Region | Dubrovnik-Neretva Region | South Bohemia Region | Mazowieckie Region | Presov Region |
|-----------------------------------------------------------------------------------------------|------------------|--------------------------|----------------------|--------------------|---------------|
| 1. Do you promote legal knowledge of family-business owners related to the BSP? | | | | | |
| Through the organization of educational events | 5,0 | 4,5 | 5,0 | 2,0 | 2,0 |
| By ensuring the offer of educational events of other entities | 4,5 | 4,5 | 5,0 | 3,0 | 3,5 |
| By our own consulting activities | 4,0 | 5,0 | 1,5 | N/A | 4,0 |
| By ensuring the consulting activities of other entities | 4,0 | 5,0 | 2,0 | 2,0 | 4,5 |
| By providing continuous information support | 4,5 | 4,5 | 4,0 | 3,0 | N/A |
| 2. Do you promote communication skills of family-business owners related to the BSP? | | | | | |
| Through the organization of educational events | 5,0 | 4,5 | 4,7 | 1,0 | 5,0 |
| By ensuring the offer of educational events of other entities | 4,3 | 4,5 | 4,7 | 1,0 | 3,5 |
| By our own consulting activities | 5,0 | 4,5 | 3,0 | N/A | 5,0 |
| By ensuring the consulting activities of other entities | 3,0 | 4,5 | 4,0 | 2,0 | 5,0 |
| By providing continuous information support | 5,0 | 5,0 | 3,0 | 2,0 | N/A |
| 3. Do you promote motivation skills of family-business owner related to the BSP? | | | | | |
| Through the organization of educational events | 5,0 | 3,5 | 4,7 | 3,0 | 5,0 |
| By ensuring the offer of educational events of other entities | 4,0 | 4,0 | 4,7 | 4,0 | 3,5 |
| By our own consulting activities | 5,0 | 3,5 | 3,5 | N/A | 5,0 |
| By ensuring the consulting activities of other entities | 3,0 | 4,0 | 4,0 | 3,0 | 5,0 |
| By providing continuous information support | 5,0 | 4,5 | 3,0 | 4,0 | 2,0 |
| 4. Do you promote analytical skills of family-business owners related to the BSP? | | | | | |
| Through the organization of educational events | 4,3 | 3,5 | 4,7 | N/A | N/A |
| By ensuring the offer of educational events of other entities | 4,0 | 3,5 | 4,7 | N/A | 5,0 |
| By our own consulting activities | 4,0 | 3,5 | 3,5 | N/A | 5,0 |
| By ensuring the consulting activities of other entities | 5,0 | 4,0 | 4,0 | N/A | 5,0 |
| By providing continuous information support | 5,0 | 4,0 | 3,0 | N/A | 5,0 |
| 5. Do you promote organization skills of family-business owners related to the BSP? | | | | | |
| Through the organization of educational events | 5,0 | 4,0 | 4,3 | 3,0 | N/A |
| By ensuring the offer of educational events of other entities | 5,0 | 4,0 | 4,3 | 4,0 | 5,0 |
| By our own consulting activities | 4,5 | 4,5 | 2,5 | 1,0 | 4,0 |
| By ensuring the consulting activities of other entities | 4,0 | 4,5 | 4,0 | 4,0 | 5,0 |
| By providing continuous information support | 5,0 | 4,5 | 3,5 | 4,0 | N/A |
| 6. Do you promote decision-making skills of family-business owners related to the BSP? | | | | | |
| Through the organization of educational events | 5,0 | 4,0 | 4,3 | N/A | N/A |
| By ensuring the offer of educational events of other entities | 4,3 | 4,0 | 4,3 | 1,0 | N/A |
| By our own consulting activities | 5,0 | 4,0 | 2,5 | N/A | 4,0 |
| By ensuring the consulting activities of other entities | 3,0 | 4,5 | 3,5 | 2,0 | 4,5 |
| By providing continuous information support | 5,0 | 4,5 | 3,0 | 1,0 | N/A |



| Do you provide any other supporting activities to family-business owners which should help them with handling of the business succession process? | |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Linz-Wels Region | not in this year's program, maybe in 2020 |
| | publication of checklists, all services by the national chamber of commerce, digitalization consulting |
| | Continuous information of branches relevant news and continues information about the succession, Report and studies carried out on family businesses |
| Dubrovnik-Neretva Region | N/A |
| | N/A |
| South Bohemia Region | In addition to the above (organizing educational events), we are not currently engaged in other activities in this context. |
| | We are partners of the international project ENTER-transfer; within which we are preparing an online tool to support the process of corporate succession. At the same time, we monitor activities related to the topic of family business and corporate succession in and outside the region, participate in family business and corporate succession events, cooperate with other entities in the region, organize seminars for family businesses and representatives of public organizations. |
| | We offer annual meetings of family companies in November. Speakers include renowned law offices, tax specialists, recruitment agencies, university representatives and partner organizations. |
| Mazowiecke Region | Companies associated in IPHZR receive information twice a month in the form of a newsletter which often contains legal aspects of doing business including BSP. The Chamber is also a place of information exchange between entrepreneurs, sharing good practices and contacts. |
| Presov Region | For owners of family companies we can provide: individual professional advice from various areas (law, taxes and finance, management, legislation, export, etc.), the possibility to participate in group expert consulting, business courses, communication skills courses or use various themed events as for entrepreneurs and non-entrepreneurs (info / overview at https://www.npc.sk/sk/events/). |
| | Generational exchange in companies is most often encountered in the preparation of strategic plans and financial analyzes for entrepreneurs. Based on the identified shortcomings, we then try to help the client within the portfolio of our consulting services or, if necessary, direct it to one of our external partners. For example, we help clients in this category to prepare a business valuation. |

II. Problems of the family business units in the region

| Do you know what are the main problems the family business units are facing with? Could you name some examples of the most significant problems? | |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Linz-Wels Region | Business Succession in general, Transferors react to late, take it too easy |
| | Problems to find human resources, competition with larger companies |
| | Too much bureaucracy. Every 10th family businesses will soon be in a transition phase. |
| Dubrovnik-Neretva Region | Lack of information regarding the business transfer. |
| | The main problems are who will take over the business, who will inherit it and continue it, awareness is small and the information's about business transfer is not quite good. There are not enough information's regarding the business transfer available. |
| South Bohemia Region | Permanent influence of the previous owner. Frequent conflicts. Younger family members are not interested or have sufficient competencies to manage the company. Influence on extended family. Increased risk of personal bankruptcy in case of business failure. |
| | Entrepreneurs who started their business after 1989 are now in retirement age, this is the first generation in the post-revolution period, and companies in the Czech Republic have lack previous experience in handing over the company to the successor. The owners are faced with a number of problems - their offspring are not ready or do not want to take over the company, or they want to, but they have a different opinion on the company management and it brings number of disagreements. There is no methodological support for owners and successors of family businesses. At the same time, there is no legislative support for family business, which presents certain specifics. |
| | We are in a situation where the owners of companies that were established in the 1990s are getting into retirement age. They are looking for ways to hand over the company. As their children grew up in other socio-economic conditions, their education and work experience do not coincide with the focus of the family business (e.g. smaller craft firms). Regarding general problems, companies in the Czech Republic encounter mainly a shortage of workers. |
| Mazowiecke Region | The main problem in family business is the lack of proper business profitability. Labor costs are very high and many companies lose their profitability. Small enterprises do not know marketing tools and the only solution is price struggle. They lower prices for their products / services, because it often forces the market and customers, and as a consequence have a problem with the profitability of the business. There is a lack of conscious branding and value for which the customer wants to pay. In small enterprise, the owner is often the person who contributes to the development of the company and at the same time its biggest brake. The owner in a small enterprise has a problem in transferring competences to employees and delegating tasks. |
| Presov Region | Modifying formal relationships between family members, succession - when, under what conditions, motivation to start family businesses, property transfer problems, reluctance / disinterest of the next generation to continue family business, internal conflicts, and of course, as in general business - tax and administrative burden, financial uncertainty, financial resources. |
| | A large percentage of entrepreneurs starting in the 1990s who have already reached retirement age are planning to quit business and leave it to their descendants. But there is a problem. On the one hand, many potential successors do not show interest in the family business; will start preparing late. |



Summary

The average results indicate that the issue of family-business handover is reflected by the supporting organizations in all partner regions. The key management skills & abilities which have been identified as useful for the BSP are somehow supported by the activities of the supporting organizations. The only exception is represented by the Mazowieckie Region in which the organizations do not provide any activities focused on analytical skill development. Moreover, we can identify some rather general supporting activities above the scope of management skills & abilities development such as special purpose meetings, sharing good practices, elaboration of hand-over plans, financial analyses, etc.

If we take a look at the quality scale which indicates a level of satisfaction of family-business owners with the particular supporting activity, we can see significant differences between the regions. Although the overall satisfaction level is quite good, some supporting activities show just the average or below-average results. The lowest level of satisfaction can be found in the case of the consulting activities of other entities and the educational events of various kind. Higher number of the average-score activities can be found in the South Bohemia Region. The highest number of the below-average-score activities shows the Mazowieckie Region. From the other point of view, the highest level of family-business owners' satisfaction is connected with activities of the supporting organizations in the Linz-Wels Region.

The supporting organizations intensively perceive the problems of the FBUs. Their level of knowledge about the problems is deeper when comparing with the level of the regional governments. They are aware of the following main problems: (a) a lack of experience with the business succession process, (b) a lack of solid information (methods, procedures, plans) how to handle the business succession process, (c) tough seeking of any suitable successor, (d) conflicts in a family regarding the process of business leadership change, (e) unwillingness of young generation to take over the business, (f) an uncertainty of the successors about the business results / business position on a market after a change in business leadership, (g) high level of bureaucracy connected with the FBUs' business activities.

The findings clearly show the importance of the regional supporting organizations. They have close contact with the FBUs, they are aware of the real problems the FBUs are facing with, and thus have an ability to effectively assist them during the business succession process. This is why the regional governments should pay enough attention to their activities. Moreover, the governments should closely cooperate with the supporting organization in developing the overall economic and business environment in the region in a way that helps the FBUs to fight off their main problems and handle the business succession process at the same time.



Strategic Objectives

The following part describes **the strategic objectives** which are derived from the analytical part of the strategy. They can be interpreted as the main areas to which the regional governments have to pay their attention. Each strategic objective reacts on information summarized in the Analytic Overview.

Analytic Overview

There is high level of heterogeneity between the regions when comparing their activities aimed at support of the family business units (FBUs). The regional governments hardly recognize specifics of the FBUs and have a tendency to overlook their specific problems when forming general economic and business environment in the region. Just the government of the Linz-Wels Region declares a precise knowledge about the FBUs' activities in the region and their specific business problems. Other regional governments know just the fragments about actual situation on a market of family-owned businesses, or have rather partial or general information which often corresponds to the problems of the SMEs. Nevertheless, the regional supporting organizations (RSOs) intensively perceive the problems of the FBUs. They are aware of both the general business problems and the issues related to the business succession process as well. This is why some of the most significant issues can be identified: (a) a lack of previous experience with the business succession process, (b) a lack of solid information (methods, procedures, plans) how to handle the business succession process, (c) tough seeking of any suitable successor, (d) conflicts in a family regarding the process of business leadership change, (e) unwillingness of young generation to take over the business, (f) an uncertainty about the business results / business position on a market after a change in business leadership, (g) lack of experienced and loyal staff supporting family business, and (h) high level of bureaucracy connected with the FBUs' business activities.

The issues of the FBUs have just limited strategic attention from the side of the regional governments. The only exception is represented by the Linz-Wels Region which government applies strategic approach by the Strategy for SMEs and family businesses Upper Austria 2030. Unfortunately, none of the regions have any specific unit/department which is responsible for implementation of a strategy and coordination of the supporting activities in particular region. Nevertheless, all the regional governments declare some kind of supporting activities aimed at the FBUs/SMEs. The majority of them consists of passing general information, giving some consultations / seminars / workshops, or creating better conditions for business activities of the FBUs/SMEs. The scope and quality of the supporting activities aimed at development of the key management skills & abilities needed for the BSP significantly vary in partner regions. The RSOs usually do not utilize a full range of the activities. Although the overall satisfaction level is quite good, some supporting activities show just the average or below-average results. The lowest level of satisfaction can be found in the case of the consulting activities of other entities and the educational events of various kind. The FBUs are informed about the activities mostly via online communication tools. Face-to-face communication is often used by the regional governments as well.

Strategic Objectives

The objectives are analyzed by the **Force-Field Analysis**. The core of the analysis lies in identification of the factors positively (**driving forces**) or negatively (**restraining forces**) influencing a possibility to reach the strategic objectives. The following tables contain result of the Force-Field Analysis for all partner regions. They include the various driving and restraining forces having an impact on the strategic objectives fulfilment. Moreover, the tables include two variables: (a) **Rate of Impact** (RI - the intensity of the force's impact on reaching the strategic objective), and (b) **Need to Improve** (NI - the need to improve the current state of the restraining force and thus to reduce its negative impact).



The evaluation is made by the following scale: very low (1) - low (2) - strong (3) - very strong (4). The mark (-) indicates the force which is considered not to be relevant in particular region.

Strategic objective 1: Monitoring the FBUs' activities

| Regions | Linz-Wels Region | | Dubrovnik-Neretva Region | | South Bohemia Region | | Mazowieckie Region | | Presov Region | |
|--------------------------------------------------------------------------------------|------------------|----|--------------------------|----|----------------------|----|--------------------|----|---------------|----|
| Driving Forces | RI | | RI | | RI | | RI | | RI | |
| Precise specification of the FBUs in any legislative act | 3 | | - | | 3 | | 2 | | - | |
| Cooperation with any regional entity in monitoring activities | 4 | | 3 | | 2 | | - | | 3 | |
| Existence of any work position responsible for monitoring activities | 2 | | 2 | | - | | 2 | | 1 | |
| High-quality information sharing between the FBUs and the regional government | 4 | | 2 | | 3 | | - | | - | |
| Restraining Forces | RI | NI | RI | NI | RI | NI | RI | NI | RI | NI |
| Insufficient financial and human resources for monitoring activities | 3 | 3 | 3 | 3 | - | - | 3 | 4 | 2 | 2 |
| Lack of any valid statistics or information about the FBUs' activities | 4 | 3 | 3 | 3 | 3 | 3 | - | - | - | - |
| Poor-quality cooperation between the regional government and other regional entities | - | - | - | - | 4 | 4 | 3 | 4 | - | - |
| FBUs unwillingness to share information with regional government | - | - | 3 | 3 | - | - | - | - | 2 | 4 |

Strategic objective 2: Developing a plan aimed at overcoming the main issues of the FBUs

| Regions | Linz-Wels Region | | Dubrovnik-Neretva Region | | South Bohemia Region | | Mazowieckie Region | | Presov Region | |
|-----------------------------------------------------------------------------------------------|------------------|----|--------------------------|----|----------------------|----|--------------------|----|---------------|----|
| Driving Forces | RI | | RI | | RI | | RI | | RI | |
| Existence of any manual describing recommended structure and content of the plan | 4 | | - | | 3 | | - | | - | |
| Existence of any database of good practices how to help the FBUs to overcome their issues | 3 | | 3 | | 3 | | - | | - | |
| Existence of solid information about the FBUs and their issues needed for developing the plan | 4 | | - | | 3 | | - | | 3 | |
| Well-established participatory planning - involving various regional entities to planning | 3 | | 3 | | - | | - | | 3 | |
| Restraining Forces | RI | NI | RI | NI | RI | NI | RI | NI | RI | NI |
| Insufficient financial and human resources for developing the plan | 4 | 3 | 3 | 3 | - | - | 3 | 4 | - | - |
| Lack of solid information about the FBUs and their issues needed for developing the plan | 4 | 3 | 3 | 3 | - | - | 3 | 4 | 4 | 3 |
| Poor-quality cooperation between the regional government and the FBUs in solving FBUs' issues | - | - | - | - | - | - | 3 | 4 | 4 | 4 |
| FBUs unwillingness to share information with regional government | - | - | - | - | - | - | - | - | 3 | 3 |



Strategic objective 3: Supporting the FBUs in their business activities

| Regions | Linz-Wels Region | | Dubrovnik-Neretva Region | | South Bohemia Region | | Mazowieckie Region | | Presov Region | |
|----------------------------------------------------------------------------------------------|------------------|----|--------------------------|----|----------------------|----|--------------------|----|---------------|----|
| Driving Forces | RI | | RI | | RI | | RI | | RI | |
| Existence of any plan defining preferable structure of supporting activities | 4 | | 3 | | . | | 2 | | - | |
| Availability of financial and human resources needed for supporting activities | 4 | | 3 | | . | | - | | 2 | |
| Existence of solid information flow between the regional government and the FBUs | 4 | | 3 | | 3 | | - | | - | |
| High-quality cooperation between the regional government and the RSOs in supporting the FBUs | 4 | | - | | - | | - | | 2 | |
| Restraining Forces | RI | NI | RI | NI | RI | NI | RI | NI | RI | NI |
| Legislative restriction of direct support of the FBUs' business activities | - | - | 2 | 3 | - | - | - | - | - | - |
| Insufficient financial and human resources for supporting activities | - | - | - | - | - | - | 2 | 3 | - | - |
| High level of bureaucracy related to supporting activities | - | - | 3 | 3 | 3 | 3 | - | - | 4 | 4 |
| Poor-quality cooperation between the regional government and the RSOs in supporting the FBUs | - | - | - | - | 3 | 3 | 3 | 4 | - | - |

Strategic objective 4: Facilitating the FBUs in the business succession process

| Regions | Linz-Wels Region | | Dubrovnik-Neretva Region | | South Bohemia Region | | Mazowieckie Region | | Presov Region | |
|------------------------------------------------------------------------------------------------|------------------|----|--------------------------|----|----------------------|----|--------------------|----|---------------|----|
| Driving Forces | RI | | RI | | RI | | RI | | RI | |
| Existence of any manual describing recommended facilitating activities | 4 | | 3 | | 3 | | - | | - | |
| Existence of any database of good practices how to help the FBUs to provide the BSP | 3 | | 3 | | 3 | | 2 | | - | |
| Availability of skilled human resources needed for facilitating activities | 4 | | 3 | | - | | - | | 2 | |
| High-quality cooperation between the regional government and the RSOs in facilitating the FBUs | 4 | | 3 | | 3 | | - | | - | |
| Restraining Forces | RI | NI | RI | NI | RI | NI | RI | NI | RI | NI |
| Lack of information about the BSP and its typical pitfalls | - | - | - | - | - | - | - | - | 3 | 4 |
| Lack of information about the FBUs' future intentions in the BSP | - | - | 3 | 3 | - | - | 3 | 4 | 3 | 3 |
| Underestimation of the BSP's importance for sustainable development of the FBUs | - | - | 4 | 4 | - | - | 3 | 4 | 4 | 3 |
| Poor-quality cooperation between the regional government and the RSOs in facilitating the FBUs | - | - | - | - | 3 | 3 | 3 | 4 | 3 | 3 |



Strategic objective 5: Providing coordination of the supporting / facilitating activities

| Regions | Linz-Wels Region | | Dubrovnik-Neretva Region | | South Bohemia Region | | Mazowieckie Region | | Presov Region | |
|-----------------------------------------------------------------------------------|------------------|----|--------------------------|----|----------------------|----|--------------------|----|---------------|----|
| Driving Forces | RI | | RI | | RI | | RI | | RI | |
| Involvement of coordination activities in the plan for the FBUs development | 3 | | 3 | | - | | - | | 2 | |
| Existence of any public entity suitable for providing coordination activities | 3 | | 3 | | 2 | | - | | 3 | |
| Availability of financial and human resources needed for coordination activities | 3 | | 3 | | - | | - | | 2 | |
| High-quality relationship between the regional government and the FBUs / RSOs | 3 | | 3 | | 2 | | - | | - | |
| Restraining Forces | RI | NI | RI | NI | RI | NI | RI | NI | RI | NI |
| Insufficient financial and human resources for coordination activities | - | - | - | - | - | - | 3 | 4 | - | - |
| Absence of any formal specification of responsibility for coordination activities | - | - | 3 | 3 | - | - | 2 | 4 | - | - |
| Lack of previous experiences with such coordination activities | - | - | - | - | - | - | 2 | 4 | 2 | 3 |
| Poor-quality cooperation between the regional government and the FBUs / RSOs | - | - | - | - | 3 | 3 | 3 | 4 | - | - |



Strategic Tasks

The following strategic tasks reflect the results of the Force-Field Analysis. They represent the main tasks for the regional governments which have to be accomplished to meet the strategic objectives.

Task I: Information Gathering & Monitoring

| | | |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| Analytic summary reflection | <ol style="list-style-type: none"> 1. The regional governments hardly recognize specifics of the FBUs and have a tendency to overlook their specific problems when forming general economic and business environment in the region. 2. The regional governments know just the fragments about actual situation on a market of family-owned businesses, or have rather partial or general information which often corresponds to the problems of the SMEs. | |
| Restraining forces reflection | <ol style="list-style-type: none"> 1. Lack of any valid statistics or information about the FBUs' activities 2. Lack of information about the FBUs' future intentions in the BSP 3. Insufficient financial and human resources for monitoring activities | |
| Sub-tasks | <ol style="list-style-type: none"> 1. Develop a platform for effective information sharing between the regional government and the FBUs 2. Motivate the FBUs for sharing information about their BSP intentions and specific business-related issues 3. Build an information database enabling to search up-to-date information about the FBUs in a region anytime 4. Analyze information from the FBUs at regular intervals and monitor their course in cooperation with the RSOs | |
| Good Practices | Driving Forces | Source |
| | Cooperation with any regional entity in monitoring activities | Linz-Wels Region Dubrovnik-Neretva Region Presov Region |
| | High-quality information sharing between the FBUs and the regional government | Linz-Wels Region South Bohemia Region |
| | Existence of solid information flow between the regional government and the FBUs | Linz-Wels Region Dubrovnik-Neretva Region South Bohemia Region |

Task II: Planning & Implementation

| | | |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| Analytic summary reflection | <ol style="list-style-type: none"> 1. The issues of the FBUs have just limited strategic attention from the side of the regional governments. 2. None of the regions have any specific unit/department which is responsible for implementation of a strategy for FBUs development. | |
| Restraining forces reflection | <ol style="list-style-type: none"> 1. Insufficient financial and human resources for developing the plan 2. Lack of solid information about the FBUs and their issues needed for developing the plan 3. Underestimation of the BSP's importance for sustainable development of the FBUs | |
| Sub-tasks | <ol style="list-style-type: none"> 1. Involve the RSOs and FBUs to elaboration of the plan for FBUs development with respect to the principles of participatory planning 2. Elaborate the plan devoted to FBUs development and support as an integral part of a regional economic /development strategy 3. Integrate the issues related to BSP into the plan 4. Establish any unit or appoint any employee which / who will be responsible for activities connected with implementation of the plan | |
| Good Practices | Driving Forces | Source |
| | Existence of solid information about the FBUs and their issues needed for developing the plan | Linz-Wels Region South Bohemia Region Presov Region |
| | Well-established participatory planning - involving various regional entities to planning | Linz-Wels Region Dubrovnik-Neretva Region Presov Region |
| | Existence of any plan defining preferable structure of supporting activities | Linz-Wels Region Dubrovnik-Neretva Region |



Task III: Cooperation & Coordination

| | | |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| Analytic summary reflection | <ol style="list-style-type: none"> 1. The regional supporting organizations intensively perceive the problems of the FBUs. They are aware of both the general business problems and the issues related to the business succession process as well. 2. None of the regions have any specific unit/department which is responsible for coordination of the supporting activities. | |
| Restraining forces reflection | <ol style="list-style-type: none"> 1. Poor-quality cooperation between the regional government and the RSOs in supporting the FBUs 2. Poor-quality cooperation between the regional government and the RSOs in facilitating the FBUs 3. Absence of any formal specification of responsibility for coordination activities | |
| Sub-tasks | <ol style="list-style-type: none"> 1. Establish any unit or appoint any employee which / who will be responsible for coordination of the supporting / facilitating activities and developing cooperation between regional government and the RSOs 2. Develop a platform for an effective information flow from the RSOs to the regional government and listen carefully to the RSOs 3. Cooperate with the RSOs in developing the business environment in a way that helps the FBUs to overcome their main issues and handle the BSP at the same time 4. Pay enough attention to RSOs activities and needs, and support them in return for building a mutual trust | |
| Good Practices | Driving Forces | Source |
| | High-quality cooperation between the regional government and the RSOs in facilitating the FBUs | Linz-Wels Region Dubrovnik-Neretva Region South Bohemia Region |
| | Existence of any public entity suitable for providing coordination activities | Linz-Wels Region Dubrovnik-Neretva Region Presov Region |

Task IV: Support & Facilitation

| | | |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| Analytic summary reflection | <ol style="list-style-type: none"> 1. The regional governments hardly recognize specifics of the FBUs and have a tendency to overlook their specific problems. 2. The RSOs usually do not utilize a full range of the activities aimed at development of the key management skills & abilities needed for the BSP. Moreover, some supporting activities show just the average or below-average results. 3. The FBUs are informed about the activities mostly via online communication tools. Face-to-face communication is often used by the regional governments as well. | |
| Restraining forces reflection | <ol style="list-style-type: none"> 1. Lack of information about the FBUs' future intentions in the BSP 2. Underestimation of the BSP's importance for sustainable development of the FBUs 3. High level of bureaucracy related to the supporting activities | |
| Sub-tasks | <ol style="list-style-type: none"> 1. Define a set of high-specific supporting / facilitating activities based on the plan for FBUs development and support 2. Pay enough attention to development of BSP management skills & abilities by various educational or consultation activities 3. Create a "menu" of the supporting activities in an understandable form, and try to minimize the bureaucratic burden related to their using 4. Communicate the supporting / facilitating activities both with the RSOs and FBUs in advance and give them a chance to participate in their realization or using | |
| Good Practices | Driving Forces | Source |
| | Existence of any manual describing recommended facilitating activities | Linz-Wels Region Dubrovnik-Neretva Region South Bohemia Region |
| | Existence of any database of good practices how to help the FBUs to provide the BSP | Linz-Wels Region Dubrovnik-Neretva Region South Bohemia Region |



Strategic Summary

The following bullets summarize the main findings of the strategy in a comprehensive form. They can serve as the fundamental information basis for the regional governments in their effort to enhance the business succession process.

1. The legal environment is very heterogeneous in the partner regions. The specification of the family business units in the legislative acts is often vague or completely missing. Moreover, the scope and number of the legislative acts somehow related to the business succession significantly varies. Thus, it is not easy both for the regional authorities and the family business units to follow all legal requirements defining conditions for the business succession process.
2. The business succession process requires a set of specific management skills & abilities. The business owners stress the importance of the communication & negotiation skills together with organizing, analyzing and decision-making skills. These skills are considered as vital for success of the family-business handover. In addition, they can help the business owners to overcome some failures related to the business succession process. Thus, their development should be supported by the regional authorities.
3. It is possible to identify two broad categories of the regional authorities in all partner regions: (a) the regional governments and (b) the non-profit supporting organizations. Although the number, size, and scope of the supporting organizations vary, in general, they play an irreplaceable role in supporting the family business units. They have close contact with the family business units, they are aware of their problems, and thus have an ability to effectively assist them during the business succession process.
4. The regional supporting organizations provide the family business units variety of the supporting activities. Nevertheless, some activities show just the average or below-average quality results. The lowest level of satisfaction can be found in the case of the consulting activities of other entities and the educational events of various kind.
5. The regional governments have rather more general information about actual situation on a market of family-owned businesses. They have a tendency to rank the family business units under the category of small and medium enterprises, and thus overlook their specific problems. With the exception of the Linz-Wels Region, this issue is multiplied by the absence of strategic approach to development of the family-owned businesses. Moreover, none of the regions have any specific unit/department which is responsible for implementation of a strategy and coordination of the supporting activities.
6. The regional authorities see the following most significant issues of the family business units: (a) a lack of previous experience with the business succession process, (b) a lack of solid information (methods, procedures, plans) how to handle the business succession process, (c) tough seeking of any suitable successor, (d) conflicts in a family regarding the process of business leadership change, (e) unwillingness of young generation to take over the business, (f) an uncertainty about the business results / business position on a market after a change in business leadership, (g) lack of experienced and loyal staff supporting family business, and (h) high level of bureaucracy connected with the business activities.
7. The regional governments should pay their attention to fulfilment of the following five strategic objectives when forming the economic & business environment for the family business units: (1) Monitoring the FBUs' activities, (2) Developing a plan aimed at overcoming the main issues of the FBUs, (3) Supporting the FBUs in their business activities, (4) Facilitating the FBUs in the business succession process, (5) Providing coordination of the supporting / facilitating activities.
8. The regional governments should utilize the following set of strategic tasks for meeting the strategic objectives.



Strategic Tasks Summary

