

Conference Paper

The Impact of Owner Gender in Family Businesses in Indonesia

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Abstract

There are differences in the way people perceive the role of women and men in business. The purpose of this study was to analyze the influence of male or female leaders on two business families in Indonesia. The success of the family company cannot be separated from the role of the first generation in trusting future generations to continue their family business. A qualitative approach was used, where the data were collected through interviews with two family companies with different generations of successors. One family company has a female successor generation and another family company has a male successor. The findings showed that the first generation trusted from an early age and involved the second generation in the family business, whether their children were girls or boys. In fact, all succeeded in taking over the baton of leadership. An interesting finding is that even though the next generation is female and handles welding, which is more commonly done by men, thanks to the trust given by their parents, this next generation would be more masculine in order to gain legitimacy from employees who have worked for a long time in the company. This is as good as the next generation of men in other family companies.

Keywords: Family business, Gender, First generation roles, Succession of success.

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1. Introduction

The family business is unique. There are similarities and differences between men and women in determining succession planning [5].

There are obstacles experienced by women who are the next generation of family businesses in the state of Anambra. There is an injustice for women who want to be the next generation. What is recommended is that the next generation should not only be based on gender, but be seen on the ability and equality of women and men [11].

Family background and culture in the business family in determining the successor of the business family is always thought of by men. Male successors are seen as more

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capable as successors than female successors [4]. Several other researchers are more concerned about the role of women who take more part in administrative matters in the family business [8].

There are times when girls who are highly educated come forward as leaders only as temporary leaders or secondary leaders to support their brothers to succeed. Girls act as second leaders and remain involved in decision making. Chinese girls must face the fact that women are second only to men by the realities of existing Chinese culture and become independent leaders [13].

Unlike the previous article, there is a future generation of women who are built with the father's preparation, support and credibility as a form of legitimacy for girls as the next generation. It turns out that girls also need to develop themselves independently in order to build credibility and increase their visibility [9].

The focus of this research is to see the differences and similarities in roles between men and women in their business family. The theoretical contribution of this research is to add to the theory about the role of women in the business family if they do not have sons in a field that is more in the world of men, such as welding, it turns out that they can become the next generation who are as capable as men. This study aims to analyze the impact of male or female gender leaders in business families in Indonesia.

[1] Both male and female future generations try to show a masculine identity as an effort to be considered a legitimate successor. The existence of succession literature based on gender ([1]; [6]; [10]; [2]) states that the identity of the legitimate successor is closely related to the relationship between father and daughter. This is important to facilitate the legitimacy of the girl as the successor.

Succession is the result of effective planning after future generations enter the business [7]. The role of the first generation is important in legitimizing the business development process of the next generation [3].

2. Methods

This research is based on case studies, which intend to describe the problem. Yin (2004: 18), in [14] case study is a method used to find out the answer to the question "How" or "Why" on an existing problem.

The sources of this research were fathers and future generations of men or women from two family businesses in Indonesia. The type of data used is qualitative data. According to Miles and Huberman in [12], the qualitative data to be analyzed are:

1. Data reduction, namely summarizing, selecting important points, focusing on main points, and looking for patterns;
2. Presentation of data in the form of brief descriptions, charts, and relationships between categories;
3. Conclusions based on results.

3. Results

The results of the evaluation of interviews with participants, the following steps are compared the results of the participant interviews. Furthermore, the results of the interviews will be compared with the results of observations and literature studies.

The guiding question in this study is How is the role of fathers in preparing the next generation related to gender ?; How is the readiness of the next generation for the preparation of the previous father?; How is your opinion of yourself influenced by that experience? The results of the research questions are as follows Table 1.

4. Discussion

Three proposition in this research as follows:

The first preposition one is the role of the first generation is important in the continuation of the family business. This supports the findings [3]. The second preposition is the next generation, both women and men, are equally good at running the company if they are trusted by the first generation from an early age. This supports the findings ([1]; [6]; [10]; [2]). The last preposition is the next generation of women will show more of their masculine side when faced with jobs that are more commonly done by men. This supports the findings of [1].

5. Conclusion

The most important findings of the research are:

The first, the role of the first generation is important in the continuation of the family business. The second, the next generation, both women and men, are equally good at running the company if they are trusted by the first generation. The last, the next generation of women will show more masculine side when faced with jobs that are more commonly done by men.

TABLE 1: Results of the analysis from the results of interviews with two company family businesses.

No	Area	Safira	Made
1	Originator of family business	Family business came from father	Family business came from father
2	Sibling	Safira was the second of 2 children	Pak Made was the fifth child of 6 children
3	Division of authority within the company	Father, sister, and Safira were in the same company Father was the commissioner, and came only when needed	Mr. Made in water sports, other relatives in restaurants and spas
4	Successor involvement	Safira was involved since 2007, when she was 1 junior high school	Pak Made was involved since he was a child, but began to take on a full role 6 months before his father died
5	Role in the company	Sister was in charge of marketing, Safira was in charge of the technical department, Sister was the external handle, Safira was the internal handle	Before taking full role, Pak Made took care of the operational department
No	Area	Safira	Made
6	Father's role in directing	Father directed her children to handle the effort, because Dad believed and gave motivation they could do it.	Father directed Mr. Made to take care of operations
7	Difference in successor traits	The sister was more silent, but she was very good at administration then I could be marketing.	
8	Uniqueness in the family business	There was black and white to maintain professionalism in the family business, even among family members	
9	The role of the 2nd generation wife		Mr. Made's wife took part in managing the restaurant
10	The hope of the 2nd generation for the 3rd generation		Pak Made hoped that his son would continue his business

Source: Interview transcript data with resource persons were processed.

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Conflict of Interest

The authors have no conflict of interest to declare.

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