Are family businesses more gender inclusive in leadership succession today? A perspective article

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Abstract

Purpose – Through this exploration, this article seeks to contribute to facilitate a greater female participation in power and leadership positions in the context of succession by presenting perspectives in research and practical implications for both family firms and business families.

Design/methodology/approach – Literature review of seminal work on women’s involvement in the leadership succession of family firms and systematic reviews related to the topic published in the last 15 years.

Findings – Past research shows that the landscape of gender inclusion in the context of succession has evolved, offering women more access to leadership positions in family firms. Perceptions of women as invisible in business or playing emotional roles in the family, shifted to leaders, managing family business. However, access to leadership positions is not equitable to all regions and women leaders still face significant challenges to achieve legitimacy and recognition inside and outside the organisation. Future research should contribute to the enhancement of gender inclusion in leadership of family firms. Action research and interventions in both family firms and business families are ways to achieve this.

Originality/value – This paper elaborates on new research avenues and provides practical insights into how to enhance gender inclusion in the context of succession at both business family and family firm’s realms.

Keywords Family business, Succession, Gender inclusion, Business families, Perspective article

Paper type Research paper

The fifth sustainable development goal defined by the United Nations (2023) aims for a world with more equity amongst genders. Despite the current efforts, the UN observes that the pace of changes remains stagnant, and it would take another 140 years to achieve parity in representation for women in top leadership positions in organisations. With family firms being the most ubiquitous form of organisations worldwide, it is evident that these businesses are key to realise this UN goal (Berrone et al., 2022).

Given the importance of achieving more gender equality in family firms, this article delves into the nuanced realm of gender inclusion in leadership succession within family firms. Through this exploration, this article seeks to contribute to facilitate a greater female participation in power and leadership positions in the context of succession by presenting perspectives in research and practical implications for both family firms and business families. This contribution is based on a literature review of seminal work and systematic reviews published in the past 2 decades. Progress in equality of women in the leadership in organisations involves not only increasing the participation of women in management roles but also in decision-making forums, such as board of directors. When referring to leadership...
positions we therefore include both, top management positions (general manager or CEO), as well as non-executive, board members.

For the purpose of this paper, we contextualise gender inclusion within the conventional framework of two categories: men and women, with a particular emphasis on the inclusion of women. Nevertheless, it is crucial to recognise that the concept of gender extends beyond this binary perspective to encompass a broader spectrum of diversity, such as individuals identifying as LGTBI + or transgender (Lindqvist et al., 2021).

Over the past few decades, the landscape of leadership succession has undergone a significant transformation. It has evolved from a traditional approach that predominantly favoured the selection of first-born, typically male successors, to a more inclusive paradigm that considers merit and individual interest, including opportunities for women (Martínez Jiménez et al., 2009). In these organisations, business families wield substantial decision-making power as they concentrate ownership and strategic control (e.g. moulding values and long-term orientation) of the family enterprise (Bizri, 2022; Zachary, 2011). Consequently, gender inclusion in leadership succession of the family firm is thereby largely influenced by business families' behaviour, family's identity and relationships (Suess-Reyes, 2017; von Schlippe et al., 2021).

Through this perspective article, we analyse how gender inclusion practices have evolved over the past 40 years, using the 1980s as a pivotal reference point when the first papers addressing women's involvement in family firms emerged (e.g. Dumas, 1989; Gillis-Donovan and Moynihan-Bradt, 1990; Salganicoff, 1990; Simms, 1988). These analyses are based on a concise literature review of past studies and systematic reviews published during the period from the late eighties until 2023. Our aim is to depict a roadmap for future research and practical endeavours that can further enhance gender equality in leadership succession of family firms. This endeavour aims to contribute to the enhancement of women's lives and their families while also benefiting the organisations and society at large (Bridges et al., 2023; Ostry et al., 2018).

**Gender inclusion in leadership succession: past and present**

Gender inclusion in the workforce has been shown to contribute to productivity growth, as highlighted by the International Monetary Fund (Ostry et al., 2018). While the representation of women in executive leadership roles has consistently risen in recent decades, the extent of this progress varies across regions and remains far from achieving a 50% representation, as illustrated in Figure 1 (ILOSTAT, 2024). North America, Europe, and Latin America demonstrate

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*Figure 1.*

Average share of women in management positions between 1991 and 2019

higher levels of women’s representation in top management, with a gradual increase of approximately 10% over the decades, ultimately reaching around 40% participation.

In the specific context of family firms, conclusive data regarding the trends in the percentage of women in leadership positions were not found. Some surveys have gathered information on women’s participation in leadership roles within family firms (e.g. American Family Business Survey, 2003, 2007; EY, 2017; STEP, 2019). However, these surveys employ diverse metrics to capture the phenomena (e.g. % percentage of female CEOs, % of companies considering a woman as the next CEO; % women leaders), making it challenging to discern a clear trend in women’s participation in leadership succession in family business over time. Furthermore, these studies vary in scope, with some being global (e.g. EY, 2017; STEP, 2019) and others regional or at the country or state level (e.g. American Family Business Survey, 2003, 2007).

Findings of these studies align with the overall trend, indicating an increase in the presence of women in top leadership positions within family firms. For example, the American Family Business Survey in 2003 revealed that less than 10% of the companies had a female CEO, while 34% planned to appoint a woman as the next CEO. With only a four-year gap, the 2007 survey from the same source reported that 24% of businesses had a female CEO or President. The STEP Global Family Business Survey (2019) reported that 18% of family business leaders were women. This percentage varied across regions, with Europe & Central Asia exhibiting the highest at 43%, while the lowest was observed in family firms from the Middle East & Africa at 5%. A recent study confirmed this significant variation between countries regarding women’s representation in top management, with Austria having the highest proportion (44.1%) and Japan registering the lowest (4.5%) (Ahrens et al., 2023).

It is important to interpret these findings with caution as they are not longitudinal studies. Nevertheless, the overall trend suggests a steady increase in the participation of women in leadership of family firms over the decades. Despite this, the representation of women in leadership positions still varies widely across regions and company sizes, consistently falling below the 50% mark (Franco et al., 2023). It suggests that there is still a gap between discourses and effective practices of gender inclusion (Kim and Ng, 2023). Indeed, despite efforts of increasing gender inclusion in some regions as Europe a woman is more likely to be an employee than a successor unless she holds caring responsibilities which increases her odds of participating in succession (Feldmann et al., 2022).

In addition, to quantifying the evolution of the participation of women’s participation in leadership succession, we conducted a literature review of seminal studies published in the late ‘80s and early ‘90s (e.g. Dumas, 1989; Gillis-Donovan and Moynihan-Bradt, 1990; Salganicoff, 1990; Simms, 1988) and secondly analysed the available systematic reviews related to the topic published in the past 15 years (e.g. Bang et al., 2023; Kubíček and Machek, 2019; Nelson and Constantinidis, 2017; Martinez Jimenez, 2009; Campopiano et al., 2017; Maseda et al., 2022; Maseda et al., 2023). This process allowed us to gain insights into the past and present research of gender inclusion in leadership succession. Our analyses have focused on the further research and conclusion sections of these works (see Figure 2).

We observe a shift of the main topics concerning women and leadership succession of family firms comparing late 1980s with the past 15 years (since 2009). Research in the late 1980s and early 1990s often portrayed daughters as “the invisible successors” (Dumas, 1989; Gillis-Donovan and Moynihan-Bradt, 1990; Salganicoff, 1990). This invisibility appears to shift by the late 1990s and early 2000s allowing those women, mainly daughters, becoming more noticeable and recognised by their fathers even though they were traditionally perceived as primarily playing emotional or supportive roles alongside leaders (Martinez Jimenez, 2009). During this period little was reported about women’ leadership styles or leadership’ strengths (Martinez Jimenez, 2009).

Relevant questions regarding the interplay between individual, family, organisational and societal-related factors are still in the research pipeline. Psychological factors (e.g. self-
confidence and self-efficacy; Maseda et al., 2022), relational dynamics (e.g. cross-gender succession; conflict management; Bang et al., 2023; Campopiano et al., 2017; Kubíček and Machek, 2019), and gender stereotypes and prejudices rooted in social elements (e.g. patriarchal norms, religion, culture; Bang et al., 2023; Nelson and Constantinidis, 2017) represent important areas of development for gender inclusion in leadership succession of family firms. The adoption of a broader perspective of gender is also lacking (Bang et al., 2023).

The past decade has represented a period with a major production of studies on women’s involvement in family firms suggesting higher levels of participation in succession (Campopiano et al., 2017; Maseda et al., 2023). This does not imply that gender equality has been achieved, indeed, recent reviews still report that gender stereotypes, norms and prejudices remain a challenge for women in family firms, particularly in some regions or cultures (Bang et al., 2023; Maseda et al., 2022). The current debate has shifted from invisibility to how women build their identity and legitimacy as family firms’ leaders and how to empower them as top executives (Maseda et al., 2023).

Recent studies report that in this trajectory to become leaders, women still need to overcome some barriers such as limited access to coaching and mentoring compared to their male counterparts (Mustafa et al., 2019). They also encounter difficulties in building their identities as leaders due to gender bias and a perceived lack of legitimacy by other family members and non-family employees (Hytti et al., 2017; McAdam et al., 2021; Mussolino et al., 2019). This suggests that gender inclusion in the context of succession of leadership positions remains an ongoing concern for family firms. It is not only about increasing access and development opportunities for women, but also about helping them build a leadership identity that positions them effectively in front of stakeholders (Bağış et al., 2023).

Future research directions
Our literature review spans past and present research on gender inclusion in leadership succession to envision further research directions. Research has evolved from identifying women as invisible for succession, to posit them as leaders of family firms. Despite significant
advance, (at both quantitative and qualitative realms) there are still areas to explore in further studies that can enhance our knowledge about the current state of gender inclusion in leadership succession from a multilevel perspective (e.g. individuals, business family, family firm, societal). Further studies exploring gender-inclusive practices in leadership succession from quantitative and qualitative approaches are encouraged. A quantitative perspective would inform about the gaps to bridge (e.g. access, payroll, work conditions) at various levels where women’s involvement in leadership succession takes place, primarily, at the top management, and decision-making forums such as the board of directors, specially, in non-listed firms and SMEs. A qualitative approach would allow for a deeper understanding of the psychological underpinnings of gender equality in family firms (e.g. identity, career development, leadership styles, conflict, amongst others). Multimethod and mixed methods would offer a great advantage for capturing the complexity of this phenomenon (e.g. Alvarado-Alvarez et al., 2021; Salmon and Alman, 2020). Longitudinal designs are promising to explore process related gender dynamics (e.g. gender norms across generations, family culture change, career development; Kubíček and Machek, 2019; Maseda et al., 2022).

There is no doubt about the benefits of inclusive practices in succession that favour women’s access to leadership positions in family firms. Gender-inclusive practices equality advance human capital management (Ahrens et al., 2015), reduce levels of conflict (Haberman and Danes, 2007), boost board’s performance (Cruz et al., 2019) and boost resilience in turbulent contexts (Anggadwita et al., 2022; Discua-Cruz et al., 2022), to name a few. However, there are still some avenues to explore in future research. For instance, the consideration of broader categories of gender (e.g. LGTB + inclusion; Bang et al., 2023; Franco et al., 2023) which may also experience inequality in succession. Particularly, how gender and leadership are intertwined across generations promoting equality or inequalities between men and women. On these issues, the application of gender theories would represent an interesting avenue to further explore (Kubíček and Machek, 2019; Nelson and Constantinidis, 2017). Moreover, exploring the intersection of race and ethnicity with gender in entrepreneurial families would represent significant advances for the field (Aygören and Nordqvist, 2015). Exploring the intersection between entrepreneurship, gender and family business is needed to understand certain paradoxes, such as the higher probability (compared to men) of women being chosen as successors when they have caring responsibilities (Feldmann et al., 2022; Marin-Palacios, 2023).

Research into how business families engage in open discussions about gender roles, biases, and constructions of leadership is crucial for developing more inclusive practices

![Gender inclusion in leadership succession](source: Created by the authors)
In some cases, these constructive dialogues can contribute to repairing relationships and restoring trust, particularly when gender exclusion has persisted in the past (Alvarado-Alvarez et al., 2021). We advocate action research, using such research designs that allow assessing the effectiveness of interventions to promote dialogue, while also monitoring the levels of inclusion and empowerment of women and family members identifying with LGBTI+. When business families are inclusive, this has spill-over to their businesses.

In terms of research methods, there is an urgent call to embrace innovative qualitative research techniques, such as autoethnography, to gain deeper insights into the experiences of women leaders in family firms (Ratten et al., 2023). Autoethnography would allow exploring the lived experiences of women as interconnected to the broader social and cultural context (Discua-Cruz et al., 2021). The autoethnographic data can be obtained through autobiographies, written narratives or journals (Wall, 2008, 2018). Additionally, exploring the portrayal of identities and digital presence in social networks, such as LinkedIn, X (former Twitter) amongst women leaders, represents an intriguing avenue to further explore. In this matter, the use of machine learning and data mining is promising (e.g. Blanco-Gonzalez-Tejero and Cano-Marin, 2023).

Conclusion
Gender inclusion remains an ongoing concern for family firms. Future research endeavours are expected to focus on increasing women’s access to leadership positions while effectively navigating the current challenges associated with these roles. Paving the way for more gender inclusive leadership in family firms involves the efforts of business families to open the dialogue on gender inclusion aiming to motivate and lead gender inclusion at the firm’s leadership level. Within the realm of family firms, several initiatives such as equal access to resources, education, and human resources policies along with effective stakeholders’ management are likely to yield the best results in terms of gender inclusion at leadership positions (see Figure 3). In this regard, business families and family firms can pioneer the needed societal change to achieve a more equitable gender world.

References


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