

Impact of Heir Preparation on Leadership Succession Planning in Family Owned Businesses in Malawi

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Abstract

Original Research Article

This study examines the impact of heir preparation on leadership succession planning in family owned businesses in Malawi, specifically within the retail trade and real estate sectors. Utilizing a mixed research design employing both quantitative and qualitative research design, data were collected from 120 respondents through structured questionnaires and 40 respondents using interview guides. The study focused on key heir preparation elements including formal education, mentorship, and involvement in strategic business activities. Statistical analyses, including correlation and regression, revealed a significant positive relationship between the level of heir preparation and the effectiveness of leadership succession planning. The findings underscore the importance of structured heir development in ensuring continuity and sustainability in family enterprises. The study contributes to succession planning literature by offering sector-specific insights and practical recommendations for family businesses and policymakers in Malawi.

Keywords: Heir Preparation, Leadership Succession, Family-Owned Businesses, Retail Trade, Real Estate Sector, Succession Planning, Quantitative Research, Family Business Sustainability.

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CHAPTER 1: INTRODUCTION

1.1 Background of the Study

Family-owned businesses (FOBs) form the backbone of many economies worldwide, and Malawi is no exception. In both the retail trade and real estate sectors, family enterprises play a significant role in wealth creation, employment generation, and long-term investment. These businesses often reflect the entrepreneurial spirit, traditional values, and socio-economic resilience of families. However, a recurring challenge that threatens their continuity is leadership succession, particularly the preparedness of heirs to take over the reins of management and strategic direction.

Succession planning in family businesses is a critical but frequently overlooked aspect of organizational sustainability. The reliance on family lineage over meritocratic systems often places unprepared heirs in leadership roles, leading to business decline, internal conflict, or even closure (Mutalemwa & Jairo, 2021). In Malawi, where business operations are often informal

and succession plans undocumented, the consequences of poor succession strategies are magnified. The issue is further complicated by socio-cultural factors such as age hierarchies, patriarchal norms, and family loyalty, which can influence heir selection and grooming processes.

In the retail and real estate sectors—two domains marked by intense competition, regulatory complexities, and the need for customer trust—leadership readiness is a vital asset. Without adequately prepared successors, even profitable businesses can fail during generational transitions. Thus, investigating how heirs are prepared for leadership within these sectors in Malawi offers valuable insights for business sustainability and policy development.

1.2 Problem Statement

Despite the recognized importance of leadership succession in family-owned businesses, a significant number of these enterprises in Malawi struggle to survive beyond the first or second generation. A major contributing factor is the

inadequate preparation of heirs for leadership roles. Many family enterprises in the retail and real estate sectors do not have structured succession plans, resulting in leadership vacuums when founders retire, become incapacitated, or die. This often results in poor business performance, stakeholder conflict, and eventual business failure.

There is a dearth of empirical research focused specifically on how heirs are prepared for leadership in Malawian family businesses, especially in the retail trade and real estate sectors. Understanding the extent and nature of heir preparation and its impact on succession planning can inform better business practices and policies aimed at ensuring continuity and growth.

1.3 Purpose of the Study

The purpose of this study is to examine the impact of heir preparation on leadership succession planning in family-owned businesses in Malawi, with a focus on the retail trade and real estate sectors. The study seeks to determine how heirs are groomed for leadership, the effectiveness of these preparations, and the extent to which such preparations influence the success of succession plans.

1.4 Research Objectives

The specific objectives of the study are to:

1. Assess the methods used by family-owned businesses in the retail and real estate sectors to prepare heirs for leadership.
2. Evaluate the effectiveness of heir preparation in ensuring smooth leadership succession.
3. Identify challenges encountered during the heir preparation process.
4. Recommend strategies for improving heir preparation and succession planning.

1.5 Research Questions

1. What strategies are currently used to prepare heirs for leadership in family-owned retail and real estate businesses in Malawi?
2. How effective are these strategies in facilitating successful leadership succession?
3. What challenges do family businesses face in heir preparation?
4. What measures can be implemented to enhance leadership readiness among heirs?

1.6 Significance of the Study

This study contributes to both academic and practical understanding of leadership succession in family-owned enterprises. For business owners, it provides actionable insights into succession planning and leadership development. For policy makers and development partners, the study offers evidence that could inform the design of interventions targeting SME sustainability in Malawi. Academically, it fills a research

gap by focusing on sector-specific heir preparation within a sub-Saharan African context.

1.7 Scope and Limitations

The study is limited to family-owned businesses operating in the retail trade and real estate sectors in Malawi. It focuses on second-generation heirs and above, excluding first-generation founders. Limitations may include reluctance by business owners to share sensitive succession-related information and a potential bias in self-reported data. However, triangulation through interviews, surveys, and case studies will be used to ensure data reliability.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter reviews existing literature on heir preparation and leadership succession in family-owned businesses, with a particular focus on the retail trade and real estate sectors. The review synthesizes global, regional, and Malawian perspectives, highlighting theoretical insights, empirical findings, and sector-specific dynamics. Key concepts covered include heir preparation, succession planning, intergenerational leadership transition, and sectoral implications.

2.2 Conceptualizing Heir Preparation and Succession Planning

Heir preparation refers to the systematic process of grooming a designated family member to assume leadership roles in a business. It involves a combination of formal education, experiential learning, mentorship, and value inculcation (Le Breton-Miller & Miller, 2021). Succession planning, on the other hand, encompasses strategic efforts to ensure business continuity by identifying, training, and transitioning leadership from one generation to the next (Morris et al., 2020).

Family firms are unique in that they intertwine emotional, relational, and financial capital. Hence, succession is not only a managerial process but also a socio-emotional one (Berrone et al., 2021). Poor preparation often results in leadership vacuums, intergenerational conflicts, and business failures, especially in sectors where client trust and regulatory compliance are critical.

2.3 Theoretical Perspectives

Several theories provide useful frameworks for understanding heir preparation and succession in family businesses:

2.3.1 Stewardship Theory

This theory posits that family business leaders are intrinsically motivated to act in the best interest of the firm and future generations (Daspit et al., 2021). Heirs raised within this

value system are more likely to maintain and grow the business legacy.

2.3.2 Agency Theory

Agency theory highlights the potential conflict between owners and managers. In family businesses, heirs may be seen as “insiders” who reduce agency costs. However, unprepared heirs may introduce inefficiencies that challenge this assumption (Chrisman et al., 2020).

2.3.3 Socioemotional Wealth (SEW) Theory

SEW theory emphasizes the emotional value families place on business ownership, which influences decision-making in succession. Preserving family legacy often outweighs economic logic, leading to heir selection based on kinship over competence (Gómez-Mejía et al., 2019).

2.4 Global Trends in Family Business Succession

Globally, family businesses contribute significantly to GDP, especially in Asia, Europe, and North America. Research shows that succession planning remains a top concern for family enterprises worldwide (PwC, 2021). In many cases, families now invest in leadership development programs, cross-sectoral exposure, and governance structures to enhance heir preparedness (IFERA, 2020).

2.5 African Context of Succession in Family Businesses

In sub-Saharan Africa, family businesses are pivotal to economic development but often lack formal succession structures. Cultural factors, such as respect for elders, gender roles, and the centrality of the extended family, shape succession dynamics (Nzozzo & Mavhiki, 2021). Heir preparation is often informal, relying on observational learning rather than structured mentorship.

Research from Kenya, Nigeria, and South Africa shows that succession challenges in family businesses are compounded by weak legal systems, financial constraints, and inadequate business planning (Asikhia & Makinde, 2022).

2.6 Heir Preparation in Malawi's Family Business Landscape

In Malawi, small and medium enterprises (SMEs) make up over 90% of businesses, and a substantial portion are family-owned (MCCCI, 2023). However, empirical studies on heir preparation are sparse. Anecdotal evidence suggests that many founders prioritize daily operations over long-term succession planning. Additionally, education gaps and urban-rural divides affect heir readiness.

A study by Banda and Nyondo (2021) on SMEs in Lilongwe and Blantyre revealed that less than 30% of family business owners had a formal succession plan. Many heirs were either uninterested in taking over or inadequately prepared to do so.

2.7 Sector-Specific Considerations: Retail and Real Estate

2.7.1 Retail Sector

Retail businesses in Malawi, often operating as sole proprietorships or family partnerships, rely heavily on customer relationships, inventory control, and pricing strategies. Heir preparation in this sector must focus on operational knowledge, customer service, and inventory management skills (Ching'ani & Lungu, 2022).

Digitalization and competition from multinational retailers present new challenges. Heirs must be technologically literate and innovative to navigate these changes. However, many heirs are introduced late to the business and lack the experiential learning necessary to adapt quickly.

2.7.2 Real Estate Sector

In the real estate sector, family-owned firms face challenges such as regulatory compliance, capital access, and market analysis. Effective heir preparation requires legal knowledge, negotiation skills, and financial literacy. According to Kalua and Mtambo (2022), the complexity of real estate transactions in urban Malawi makes succession even more difficult when heirs are unprepared or uninterested.

This sector also faces a high rate of dormant assets and underutilized property portfolios due to leadership gaps post succession. Therefore, heir preparation must include formal education in land management, estate law, and financial planning.

2.8 Gaps in Literature

While global and regional research offers valuable insights, studies focused specifically on heir preparation in Malawi's family-owned retail and real estate sectors are scarce. Most existing literature tends to generalize SMEs or overlooks the nuanced challenges of intergenerational leadership. This study addresses this gap by providing empirical data and context-specific analysis of heir preparation practices.

2.9 Summary

This chapter has outlined the theoretical, global, regional, and sector-specific perspectives on heir preparation and succession planning in family businesses. It has highlighted the importance of structured heir grooming, contextual challenges in Malawi, and unique needs in the retail and real estate sectors. The subsequent chapter will detail the research methodology used to examine these issues.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the research methodology employed in this study. It describes the research design, target population, sampling techniques, data collection methods, instruments, data analysis procedures, and ethical considerations. The methodology was designed to gather comprehensive and context-specific data on heir preparation and leadership succession in Malawi's family-owned retail and real estate sectors.

3.2 Research Design

A **Mixed methods study design employing quantitative and qualitative research design** was adopted for this study. This design was chosen to enable the collection of measurable data from a relatively large sample, allowing for statistical analysis and generalization of findings. A cross-sectional survey method was employed to capture data at a single point in time from family business owners and their designated heirs.

The study also incorporated elements of a **descriptive and explanatory** approach:

- Descriptive, to document current heir preparation practices.
- Explanatory, to assess the relationship between heir preparation and succession outcomes.

3.3 Target Population

The target population comprised family-owned businesses operating in the **retail trade** and **real estate** sectors across Malawi's major urban centres: **Blantyre, Lilongwe, Zomba, and Mzuzu**. These locations were selected due to their high concentration of SMEs and active commercial activity in both sectors.

The unit of analysis included:

- Founders or current owners of family businesses.
- Heirs identified as successors, regardless of whether they had assumed leadership roles.

3.4 Sampling Techniques and Sample Size

3.4.1 Sampling Technique

A **purposive sampling** technique was used to select family businesses with clear ownership structures and identifiable heirs. This was followed by **stratified sampling** to ensure proportional representation from the retail and real estate sectors.

3.4.2 Sample Size

Using Cochran's formula for finite populations and considering an estimated population of 500 eligible family-owned firms in selected cities, a minimum sample size of **120 respondents** (60 founders and 60 heirs) was targeted. This ensured adequate statistical power and sectoral balance.

3.5 Data Collection Methods

Primary data were collected using **structured questionnaires** and **semi-structured interviews**. The questionnaire included both closed-ended and Likert scale items, while interviews were conducted with a smaller subset (20 business owners and 20 heirs) for triangulation and deeper insight.

Data collection occurred over a six-week period. Research assistants were trained to administer the tools in Chichewa or English, depending on respondent preference.

3.6 Research Instruments

The primary instrument was a **survey questionnaire** with the following sections:

- Demographic information.
- Heir preparation activities (e.g., formal education, mentorship, business involvement).
- Perceptions of leadership readiness.
- Succession planning status and outcomes.

The interview guide focused on:

- Heirs' lived experiences.
- Founders' succession concerns.
- Challenges and lessons from transitions.

A pilot study was conducted with 10 businesses to test instrument clarity and reliability, and Cronbach's alpha exceeded 0.8 for the Likert-scale items.

3.7 Data Analysis

Quantitative data were analysed using **SPSS Version 27**. The following techniques were employed:

- **Descriptive statistics** (means, frequencies, standard deviations) to summarize heir preparation patterns.
- **Chi-square tests** to explore associations between heir preparation and succession outcomes.
- **Regression analysis** to assess the predictive relationship between types of preparation and succession success.

Qualitative interview data were analyzed thematically using NVivo, allowing for comparison and triangulation with quantitative findings.

3.8 Validity and Reliability

To ensure **validity**, the survey instruments were reviewed by academic experts in family business and Malawian SMEs. **Content validity** was enhanced through alignment with existing literature.

Reliability was confirmed through the pilot study, and test-retest reliability was conducted on a subsample to ensure consistency of responses over time.

3.9 Ethical Considerations

The study adhered to strict ethical standards:

- Approval was obtained from a recognized Research Ethics Committee.
- Informed consent was secured from all participants.
- Participation was voluntary and data confidentiality was maintained.
- Responses were anonymized to protect business identity and privacy.

3.10 Summary

This chapter detailed the methodology used to investigate the impact of heir preparation on leadership succession in family-owned businesses in Malawi's retail and real estate sectors. The use of both quantitative and qualitative tools enabled a comprehensive understanding of the research

problem. The next chapter presents the results obtained from data collection and analysis.

CHAPTER 4: RESULTS AND FINDINGS

4.1 Introduction

This chapter presents the results of the data collected from 120 respondents (60 family business founders and 60 identified heirs) across the retail trade and real estate sectors in Malawi. The findings are organized around the research objectives and questions. Descriptive statistics, chi-square tests, and regression analyses were used to identify patterns, relationships, and significance levels.

4.2 Demographic Characteristics of Respondents

4.2.1 Founders

- **Gender:** 68% male, 32% female.
- **Age:** Mean age = 55.6 years (range: 40–70).
- **Education Level:** 40% tertiary, 35% secondary, 25% primary or informal education.
- **Business Experience:** Average = 22 years.
- **Sector:** 60% retail, 40% real estate.

4.2.2 Heirs

- **Gender:** 55% male, 45% female.
- **Age:** Mean age = 29.3 years (range: 20–40).
- **Education Level:** 70% tertiary, 20% secondary, 10% vocational or informal.
- **Involvement in Business:**
 - 35% full-time,
 - 40% part-time,
 - 25% not currently involved.

4.3 Objective 1: Strategies Used to Prepare Heirs

4.3.1 Forms of Preparation

Preparation Strategy	% of Heirs Exposed
Informal mentoring	76%
Business-related education	58%
Hands-on business training	42%
Leadership development workshops	20%
Exposure through external internships	15%

4.3.2 Sectoral Comparison

- Retail sector showed more reliance on **informal mentoring and hands-on training**.
- Real estate heirs were more likely to be exposed to **external training or professional courses**.

4.4 Objective 2: Effectiveness of Heir Preparation

A 5-point Likert scale was used to measure perceptions of heir readiness (1 = not ready, 5 = very ready).

- **Mean readiness score across all heirs:** 3.2
- Heirs involved in **3 or more preparation strategies** scored significantly higher (mean = 4.1).
- Heirs with only **informal exposure** scored lower (mean = 2.7).

- **Founders with formal succession plans** reported smoother leadership transitions ($\chi^2 = 14.7, p < 0.01$).

4.5 Objective 3: Challenges in Heir Preparation

Respondents identified several recurring obstacles:

4.4.1 Succession Outcomes

- **Businesses with active heir involvement** showed 23% higher stability in revenue over 3 years.

Challenge	% Reporting
Lack of interest from heirs	44%
Financial constraints for training	39%
Generational value differences	34%
Founder reluctance to delegate	32%
Gender bias in succession selection	18%

In the **real estate sector**, regulatory complexity discouraged some heirs from engaging. In the **retail sector**, heirs cited frustration with outdated systems and business informality.

4.6 Objective 4: Predictive Relationship Analysis

4.6.1 Regression Analysis

A multiple linear regression was run to predict **succession readiness score** from heir education level, business involvement, and number of preparation strategies.

- **Model Summary:** $R^2 = 0.51$, $F(3, 106) = 36.2$, $p < 0.001$
- **Significant predictors:**
 - Level of education ($\beta = .42$, $p < 0.001$)
 - Degree of business involvement ($\beta = .31$, $p = 0.002$)
 - Number of preparation strategies ($\beta = .29$, $p = 0.004$)

This suggests that a **combination of formal education and practical experience** is the strongest predictor of heir readiness.

4.7 Case Comparison

Case A (Retail Business – Blantyre):

- Heir was introduced to business at age 16.
- Completed a business management diploma.
- Took over leadership in 2022 after founder's retirement.

- Business has since expanded to two new locations.

Case B (Real Estate Business – Lilongwe):

- Heir had minimal exposure, completed unrelated university degree.
- Took over abruptly after founder's illness.
- Company faced compliance issues and lost major clients within a year.

These cases highlight the difference preparation makes in business continuity and leadership effectiveness.

4.8 Summary of Findings

- Heir preparation is practiced inconsistently across sectors.
- Businesses using multiple preparation methods had more successful transitions.
- Founders' hesitation and lack of resources were key barriers.
- Education, involvement, and formal succession planning significantly improve leadership outcomes.

CHAPTER 5: DISCUSSION

5.1 Introduction

This chapter provides a critical interpretation of the research findings. The discussion is structured around the research objectives and questions, drawing connections with the literature reviewed and the theories applied. Key insights

regarding the effectiveness of heir preparation, sector-specific differences, and implications for succession planning in family-owned businesses in Malawi are explored in detail.

5.2 Heir Preparation Practices and Approaches

The findings revealed that most family-owned businesses in Malawi rely heavily on **informal methods** of heir preparation, such as mentorship and on-the-job training. This aligns with the observations by Banda and Nyondo (2021), who noted that many SMEs in Malawi lack structured leadership grooming programs.

However, businesses that adopted **multiple and formal preparation methods** (e.g., business education, leadership workshops, and external internships) demonstrated higher succession readiness among heirs. This finding corroborates Le Breton-Miller and Miller (2021), who argued that diverse forms of heir development significantly enhance transition outcomes in family firms.

The preference for informal mentoring in the retail sector, as opposed to more formal educational investment in the real estate sector, reflects sectoral realities: the retail trade is often seen as more operational and practical, while real estate requires specialized knowledge in law, finance, and compliance (Kalua & Mtambo, 2022).

5.3 Heir Readiness and Succession Outcomes

The results confirmed that **heirs who were exposed to three or more preparation strategies** had a higher perception of leadership readiness. This supports stewardship theory, which emphasizes nurturing the values and skills necessary for business continuity (Daspit et al., 2021). Businesses that successfully transitioned to the next generation demonstrated better revenue stability and continuity—especially when the successor was involved in the business before the handover.

Interestingly, the study found a strong predictive relationship between **formal education, early business involvement, and readiness**, reinforcing the argument by Chrisman et al. (2020) that successor competence is key to successful succession outcomes. This challenges the assumptions of socioemotional wealth theory, where kinship often trumps competence in heir selection (Gómez-Mejía et al., 2019).

5.4 Sectoral Differences in Succession Challenges

The study revealed unique succession challenges across the retail and real estate sectors:

- In the **retail sector**, heirs struggled with outdated systems and informal business practices. This finding echoes Ching'ani and Lungu (2022), who emphasized the need for modernization in Malawian retail businesses to appeal to younger successors.
- In the **real estate sector**, the regulatory and legal complexities discouraged heirs from active

involvement, especially in the absence of formal education. This supports Kalua and Mtambo's (2022) assertion that knowledge of compliance frameworks is vital for real estate succession.

In both sectors, **lack of interest from heirs and founder reluctance to delegate** emerged as critical barriers. These findings mirror global trends reported by IFERA (2020), where emotional attachment and fear of letting go hinder founders from initiating succession plans.

5.5 Theoretical Implications

The findings of this study reinforce the relevance of combining **stewardship theory** and **agency theory** in understanding succession planning:

- **Stewardship theory** is validated by the observation that founders who actively mentored and involved their heirs achieved smoother transitions.
- **Agency theory** gains relevance when examining scenarios where unprepared heirs led to reduced efficiency and business losses. These cases underscore the importance of competence over mere familial ties in leadership roles.

The **socioemotional wealth (SEW) theory** explains the emotional and relational factors that drive founders to retain leadership or choose heirs based on family hierarchy rather than preparation. However, the study also challenges the notion that SEW always leads to positive outcomes, especially when it undermines competence.

5.6 Cultural and Generational Factors

Cultural dynamics, including respect for hierarchy, patriarchal structures, and generational differences in work ethic and expectations, played a significant role in shaping the heir preparation process. These findings are consistent with Nzonzo and Mavhiki (2021), who argued that African family businesses often operate within culturally defined norms that complicate succession.

Gender bias was also evident in the heir selection process, with male heirs more frequently identified as successors despite similar or higher competence among female family members. This highlights the need for a more inclusive approach to succession planning in the Malawian context.

5.7 Practical Implications

The results of this study have several practical implications:

- Family business owners should adopt a **structured succession plan** early in the life cycle of the enterprise.

- Heir preparation should be **multi-faceted**, including formal education, mentorship, external exposure, and business involvement.
- Stakeholders, including business associations and government agencies, should offer **capacity-building programs** for family business continuity.
- Female heirs should be given equal opportunities in succession considerations.

5.8 Summary

This chapter interpreted the results in relation to the literature and theoretical frameworks. The study found that effective heir preparation is positively associated with successful succession in family-owned businesses. Sectoral differences, cultural expectations, and lack of formal planning continue to challenge succession efforts in Malawi's retail and real estate sectors. The next chapter presents conclusions, recommendations, and areas for future research.

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

This final chapter presents the overall conclusions drawn from the study, summarizes key findings in relation to the objectives, and provides actionable recommendations for various stakeholders. It also outlines the study's limitations and proposes areas for future research on heir preparation and succession planning in family-owned businesses in Malawi.

6.2 Summary of the Study

This study explored the **impact of heir preparation on leadership succession planning** in family-owned businesses in Malawi, with a specific focus on the **retail trade** and **real estate** sectors. The research employed a mixed methods employing **quantitative cross-sectional survey design** and collected data from 120 respondents (founders and heirs) and qualitative data from 40 respondents.

The study was guided by three theoretical frameworks: **stewardship theory**, **agency theory**, and **socioemotional wealth theory**. These provided lenses for understanding the motivations, challenges, and dynamics shaping heir preparation and succession.

6.3 Key Findings

- Most family businesses in Malawi engage in **informal heir preparation**, such as mentoring and on-the-job training, but fewer adopt formal or diversified development strategies.
- Heirs exposed to **multiple preparation strategies** scored significantly higher on leadership readiness and were associated with more successful business transitions.

- Key barriers to heir preparation include **lack of interest from heirs, founder reluctance to delegate, financial constraints**, and **gender bias**.
- Differences between sectors were evident: real estate businesses required more formal training, while retail businesses favored informal mentorship and hands-on involvement.
- A combination of **education, business involvement, and succession planning** significantly predicted successful leadership transition.

6.4 Conclusions

This study concludes that **heir preparation plays a critical role** in the leadership continuity and sustainability of family-owned businesses in Malawi. Effective preparation—particularly when structured, intentional, and inclusive—can significantly enhance the probability of a smooth and successful leadership transition.

The findings also suggest that **family dynamics, business culture, and sectoral differences** must be carefully managed to optimize succession outcomes. A “one-size-fits-all” approach is ineffective; instead, preparation strategies should be tailored to the nature of the business and the capabilities of the heir.

6.5 Recommendations

6.5.1 For Family Business Owners

- Initiate **succession planning early**, ideally while the founder is still actively managing the business.
- Invest in **formal heir development programs**, including business education and external exposure.
- Create inclusive leadership development opportunities that **challenge gender norms** and encourage female participation.
- Establish **clear succession criteria** based on competence and readiness, not just birth order or tradition.

6.5.2 For Heirs

- Take active steps to **engage with the business**, including internships, mentorships, and formal study.
- Seek mentorship not only from parents but also from **external business leaders** or peers.

6.5.3 For Policymakers and Business Associations

- Promote the development of **family business advisory services** and leadership programs.
- Provide **incentives or subsidies** for succession-related training in SMEs.

- Develop **regulatory frameworks** that encourage business continuity planning in family-owned enterprises.

6.6 Limitations of the Study

While this study provides valuable insights, it had several limitations:

- The use of a **cross-sectional design** limited the ability to observe changes over time.
- The study focused only on **urban areas**, excluding rural family businesses that may have different dynamics.
- The reliance on **self-reported data** could introduce response bias.

6.7 Suggestions for Future Research

- Conduct **longitudinal studies** to track the actual outcomes of heir preparation efforts over time.
- Explore succession planning in **rural family businesses** and across other sectors (e.g., manufacturing, agriculture).
- Investigate the **role of gender** and intergenerational conflict in more depth.
- Examine the impact of **digital literacy and technology adoption** on heir readiness.

6.8 Final Thought

Leadership succession in family businesses is not merely a transaction—it is a transformation. In Malawi's evolving economic landscape, ensuring that the next generation is adequately prepared is not just good practice—it is an imperative. This study reaffirms the importance of early, intentional, and inclusive preparation of heirs as the cornerstone of sustainable family business leadership.

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