The role of context understanding South Asian family firms in Scotland and the succession paradox

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Abstract: The role of context for family firms is important and is one facet of the space that family firms require to develop, survive and thrive (Seaman, 2012, 2013). The country in which the family firm is based is one important aspect of context, providing the business environment and influencing the environment in which the family grow and develop. This paper considers the role of context in understanding the development of family firms amongst the Asian community in Scotland. The businesses tend to be the result of post-1950 migration that are less likely than other forms of family business to have been passed on to a second or subsequent generation (Scottish Government, 2011). One outstanding question is the degree to which this dilemma influences the future strategies and indeed survival of the business. The literature around family businesses contains considerable evidence that family businesses desire succession but in many cases this does not translate easily to a coherent and ultimately successful succession plan. The succession paradox that appears to exist with South Asian family firms in Scotland may be that they often do not desire succession but may achieve succession by dint of the context in which they operate.

Keywords: family firms; context; South Asian firms; migrant business; family entrepreneurship.


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1 Introduction

Family businesses remain the most common form of business in existence (Seaman et al., 2014; Sharma, 2004), run by families in a wide variety of communities and contexts (Wright et al., 2014; Seaman et al., 2016). The initial instigation of any business is in part a reaction to contextual factors, such as redundancy, closure of traditional industries or population movement. Population movement is perhaps particularly pertinent as migrants can sometimes find themselves excluded from traditional routes to employment. While there are many reasons for this real or perceived exclusion, the propensity for entrepreneurial migrants to start businesses that are family owned and run is well-established.

The contextual dimensions of a family business where the family culture, expectations and norms exist within a ‘new’ country are relatively under-explored and form the basis for current research. However, it is important that these firms are also placed within the domain of functioning businesses and as a result they must also be viewed here through the theoretical lens of the encompassing small business research. The decision to focus this current research in the small business domain is based on a number of factors, including the importance and quantity of SMEs within the wider economy (Seaman et al., 2014; Sharma, 2004) and the SME employment route being an opportunity for those who may, for a variety of reasons, find themselves at least partially excluded from mainstream employment opportunities. It is perhaps also important to note that the work in this area needs to be rooted in the widely expressed belief within the communities that the businesses themselves must work as businesses if they are to benefit both the community and succeed as a viable sustainable concern (Seaman et al., 2016).

Importantly, while existing research has looked at the challenges this group of businesses face (Wilkenson, 2004; GGiS, 2014; Seaman et al., 2016), there has been less work that considers whether succession is appropriate, planned achievable or desirable. While much existing research in the field of family business views succession as a de facto positive, the context of migrant family businesses may influence hopes, aspirations and entrepreneurial intentions for second and subsequent generations (Seaman et al., 2016).

This paper considers the cultural context of Asian family businesses operating in Scotland by taking cognisance of Asian culture, the history of migration, first and second generation entrepreneurialism and the possibility of successful succession. By considering literature from the diverse fields of culture, history, migration and family business, the paper synthesises some of the many strands contributing to context and offers a preliminary model designed to act as the basis for future research, whilst noting that these differentiators sit within the wider more general context of both small and business theory.

2 The Asian community in Scotland

Asians have had a significant presence in Britain for over 400 years, in part as a result of the East India Company and the British Empire in a more general sense. Originally from
various parts of the Indian sub-continent, the foundations of many of the substantive Asian communities, however, arrived in Britain somewhat later in response to the post-war labour needs of the 1950s and their own experiences, tastes and preferences (Kitwood and Borrill, 1980). In the early days, Asian males were generally employed in British textile industries and Asian women became home workers; many were concentrated in night work and valued flexible working patterns (Penn et al., 1991). Many possessed few qualifications or training upon arriving in Britain (Miles, 1982). In Scotland migrants worked in the Jute Mills of Dundee and Glasgow Corporation employed migrant workers on the buses and trains of Glasgow (http://www.onescotland.com). Conscious of the strength of their family ties and the vitality of their religious and cultural traditions, anecdotal evidence suggests the intention of many immigrant Pakistanis remained one of providing financial support for their families back home. Once in Britain, many men would join together to purchase property until certain areas soon became influenced by Asians (Kitwood and Borrill, 1980). In the Scottish context, the 2011 census highlights the ethnic minority groups of Scotland as a small but relatively rapidly growing and well integrated population. Importantly, no local authority area in Scotland is very diverse: Edinburgh is the most diverse area at 7.2 but the average (mean) across Scotland is only 3.1. In the context of the individuals within those communities, the relatively small and isolated nature of the communities offers a stark contextual contrast with the major communities in, for example, Manchester and Birmingham.

The impact of migration on community culture was addressed in part by Kuhn and Menken (2002), who identified that migration often encourages educational investments in children and increases parental incentives to invest in their child’s schooling. In addition, anecdotal evidence highlights parental occupation as a key predictor of educational attainment and adult occupation in children e.g. many first generation British Indians are employed in the medical profession, for Pakistanis the manufacturing, wholesale and retail sectors have been historic foci, whereas in many areas the Bangladeshi community focus on the restaurant sector. This can be viewed as a wealth effect, where much of the variation in educational attainment for the second generation is as a result of families with more assets and profitable businesses who can invest in education for their families, either through direct financial investment or through parental engagement but the future occupation of children is probably also influenced by family knowledge (Kuhn and Menken, 2002). The wealth effect is reflected in differing educational levels both of the first generation and their children with Indians and Chinese outperforming whites in education (Census, 1991, 2001) and may also influence the level of parental engagement with their children. The impact of education, aspiration and entrepreneurial intent is likely to influence the context in which family firms progress (Seaman et al., 2016).

3 The community context and social environment

The families in which younger generations from migrant communities grow up influence the economic and human capital context of their lives at the individual and household level. The impact of families’ economic situation and the human capital of their parents on the child’s subsequent educational attainment and entrepreneurial intention is explored to elucidate the economic-human capital predictors of younger generation
Pakistanis success or failure alongside entrepreneurial intent. Attributed human capital is generally considered here as two main variables; housing and socio economic class. From this the labour market attainments of minorities, employment and unemployment rates and occupational attainment and progression in the workplace are outlined.

The occupational structure open to any school leaver is influenced by a number of factors such as educational attainment and the type of home from which an individual comes. Housing tenure is a measure of financial capital, yet few have examined housing tenure and entrepreneurial intentions (Henley, 2005). Bandura et al. (2001), Baumer et al. (2003), Connolly and Neill (2001) and Furlong and Cartmel (1995) link children’s educational aspirations to the socio economic location of families, which can be linked to low labour market attainment.

Historically, research revealed ethnic minorities generally to be disadvantaged in the labour market in four indicators: employment levels, occupational attainment, workplace progression and levels of self-employment (Brookes and Singh, 1978; Drew et al., 1991, 1992; Jones, 1993; Stewart, 1982). Each of these indicators is examined in relation to Scottish literature with particular focus on Edinburgh.

According to the 2011 Census, the percentage of people in Scotland from minority ethnic groups had doubled to 4%, up from 2% in 2001. The Asian population is the largest minority ethnic group (3% of the population or 141,000 people), representing an increase of one percentage point (69,000) since 2001. Within this, Pakistani is the largest individual category, accounting for 1% of the total population. Of the 56,000 working people in the Census defined ‘Asian, Asian Scottish or Asian British’ ethnic group, 21% worked in ‘Retail activities’, and 20% in the ‘Accommodation and food service activities’ sectors, compared to the proportions (15% and 6% respectively) for the working population of Scotland as a whole as a whole. Data from the 2011 Census highlight many things, including the relatively small size of the Scottish Asian community when compared to major urban centres elsewhere in the UK.

4 Entrepreneurship, business start-up and the family firm context

Drawing on data from the 2011 Scottish Census and the Scottish Government Annual Population Survey (2014), it can be observed that self-employment rates tend to be higher for minority ethnic groups. In 2014, the self-employment rate for ethnic minorities in Scotland was 17% compared to 12% for those of white ethnic origin. The authors of the most recent Census note the relatively small size of the ethnic communities and populations within Scotland and hence do not fully dis-aggregate the data to consider individual ethnicities, which causes the current authors challenges in terms of specific country/religion analysis. However, drawing on the 2001 Census, the authors observe that the percentage of those who are self-employed was largest for the Pakistani group (32%), followed by Chinese (23%) and Indian (22%), compared to under 10% of individuals self-classifying as ‘White, Scottish’.

5 Start up motives and entrepreneurial intentions

Entrepreneurial intentions are the first step in the entrepreneurial process (Bird, 1988, 1992) and are concerned with the desires and ideas of the individual (Jenkins and Johnson, 1997). It is these intentions that are central in assisting researchers in
understanding the process of entrepreneurship (Kickul and Zaper, 1999). Whilst Minzberg (1978, 1987) found that intentions do not necessarily correlate into outcomes, much of the literature confirms the similarity of small businesses founders and the influence of two schools of business start up motivation; the ‘push’ and ‘pull’ factors (Kickul and Zaper, 1999). It is commonplace in the research to find first generation immigrants are ‘pushed’ into self-employment through lack of opportunity in the market or discrimination in the workplace (Deakins and Freel, 2003; Strategy Unit, 2004; Ward and Jenkins, 1984). This views entrepreneurialism as an alternative to unemployment (Blaschke et al., 1990; Phizacklea and Ram, 1995). Jones et al. (1993) cited by Ram (1997) suggests ethnic minority businesses arise out of a context of social disadvantage. Unemployment, under employment and difficulties in finding employment, are reason why many opt for an entrepreneurial career (Cao, 2003; Dhalwal, 2000; Morrison, 2000). ‘Pull’ factors in the literature suggests that the second generation have seen an opportunity in the marketplace (Skinner, 2004) and have been ‘pulled’ into entrepreneurialism (Jones and Ram, 2003). Basu (1995) cited by Ram (1997) and Werbner (1990) suggest South Asians have a culture conducive to entrepreneurial activity with values, human capital and community support (Bains, 1988; Basu, 1995 cited by Ram, 1997; Metcalf et al., 1996; Ward, 1991; Werbner, 1984, 1990) conducive to entrepreneurship. Morrison (2000) believes that an individual is more predisposed to starting a business if a high degree of enterprise spirit (Gilder, 1971) exists in the community. Ethnic minority entrepreneurialism has been viewed as advancement on the part of disadvantaged immigrants (Jones and Ram, 2003). Whilst Phizacklea and Ram (1995) find the young south Asian entrepreneur to be exceptionally well qualified, due to limited mainstream employment options they are pushed into the family business like many of their parents were pushed into self-employment. The family business is perceived as an alternative or escape route to unemployment. Jones and Ram (2003) also found their sample to be well qualified, in contrast they found young entrepreneurs to be pulled into new markets that did not exist for previous generations (Deakins et al., 1997; Ram et al., 2003) such as computer manufacture, web design, IT and business consultancy and mobile phone retailing. Jones and Ram (2003) note that most of these activities require human capital in the form of education, knowledge and expertise. Pull factors are used to explain the decision to set up in business, such as cultural disposition of the Pakistani minority (Blackburn, 1994).

6 First-generation entrepreneurialism

Research has devoted a considerable amount of attention to the study of first generation ethnic minority business since the early 1970s (Light, 1972; Light and Bonacich, 1988; Waldinger et al., 1990). The most important ethnic minority groups in the UK that have been the subject of studies regarding entrepreneurial activity are Indians, Pakistanis, Bangladeshis, and to a lesser extent Chinese, Black African and Black Caribbeans. Ram and Deakins (1995) cited by Ram (1997), have brought the topic of ethnic minority entrepreneurship to the forefront of discourse and have contributed prolifically during the 90s (Ram and Deakins, 1995 cited by Ram, 1997; Deakins et al., 1993, 1994, 1995, 1997, 2002; Ram and Hillin, 1994; Ram and Deakins, 1995 cited by Ram, 1997). Much of the research has been concerned with understanding start up motivations, explaining why
and how members of various ethnic groups create new businesses (Curran and Blackburn, 1993; Deakins et al., 1994, 1995, 1997; Mazzarol et al., 1999; Ram and Deakins, 1995 cited by Ram, 1997; Watson et al., 1998; Waldinger et al., 1990) the sourcing of finance (Deakins et al., 1993, 2002; Ram and Deakins, 1995) and accessing markets (Light, 1984; Ram and Hillin, 1994; Waldinger et al., 1990).

The high levels of self-employment among Indian, Pakistani and Bangladeshi males was an established and growing feature of contemporary Britain (Blackburn, 1994; Jones, 1993; Ram, 1997, 1998), and is markedly higher than the national average (British Bankers’ Association, 2002; Jones and Ram, 2003; McEvoy and Jones, 1993; Phizacklea and Ram, 1995; Ram and Jones, 1998; Waldinger et al., 1990), accounting for around one-fifth of South Asian employment in the 1991 Census (Owen, 1997). Whilst only around 7% of all small businesses are in ethnic minority ownership, ethnic minorities account for 8% of the total UK population (Ram, 1997). Smallbone and Baldock (2001) found such businesses are typically small with an average of three employees and an annual turnover of £25,000. Pakistani families are infamous for running family businesses and are synonymous with the catering, retailing and service sector (Aldrich et al., 1980; Barrett, 1999; Blackburn, 1994; McEvoy and Jones, 1993; Phizacklea and Ram, 1995; Rafiq, 1992).

Pakistani fathers continued focus on work means work dominates family life whilst their ethic of hard working results in children being deprived of their father’s potential human, physical and cultural capital (Hamada, 1997) the development of social capital is mostly the mother’s responsibility. In the Pakistani culture work often comes first and the vision is to use the family business for the betterment of the family (Chua et al., 1999). Family members associated with family businesses complain of long hours, low wages, and family conflicts (Kirchhoff and Kirchhoff, 1987). Work dominates family life and many family businesses are interested in sustaining a lifestyle rather than to maximise profits or personal revenue (Dunn, 1995; Scott and Lewis, 1984). Pakistani businesses are a good example of the social embeddedness of economic activities within a social context (Granovetter, 1985). Many ethnic firms have operated under special cultural patterns, providing ethnic products and services to ethnic neighbourhoods (Feldman et al., 1991). Kinship relations of families, owners, employees, suppliers and customers are all tied to one another through social networks (Light, 1972; Wilson and Portes, 1980). Ethnic networks also provide financial assistance for raising capital for business start up (Zimmer and Aldrich, 1987) and growth. Many have viewed minority owned businesses as inefficient and less professional in their operations and management styles than non-family businesses (Daily and Dollinger, 1991; Fama and Jensen, 1983; Jensen and Meckling, 1976).

7 Second-generation entrepreneurialism

The first national scoping study commissioned by the Scottish Executive on minority ethnic enterprise in Scotland (Deakins et al., 2004) included only 21% of second generation businesses. Whilst the results show they are significantly less likely to have previous management experience no other results were broken down by generation such as sector operated, growth propensity, local market orientation and sources of advice at
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start-up. Ram et al. (2003) qualitative study of 28 growth orientated business owners who have broken into new markets such as IT, media and healthcare include evidence from the second generation some of which were from Scotland. As this study is part of a wider study, the methodology does not inform us to what percentage of respondents were second generation and how many were from Scotland. However, from a table of the case study firms it is evident that eight of the 28 businesses are of Pakistani ownership. The results do say that in general the second generation as a group tend to be highly educated and positively motivated with a family business background and relevant work experience. This confirms with earlier work by Deakins (1999) and Phizacklea and Ram (1995). Family businesses serve as a refuge for their children especially those who may find some exclusion by the education system (Bourdieu, 1979), but also often forms part of the cultural context within which families operate and support themselves.

8 The family business context

While much has been written about the Asian community in Scotland and their entrepreneurial traits, the context into which this group of business has matured is a family driven business context. The importance of family businesses, in economic, social and community terms has been widely discussed worldwide but, despite, this the relatively low profile and covert recognition achieved by family businesses in a general sense in the UK and indeed Scotland is surprising (Seaman et al., 2014). Worldwide, family business forms the economic bedrock for most developed countries and research indicates that they are an important contributor to a degree of community and social stability (Poutziouris et al., 2006; IFB, 2008). One issue has been a lack of clarity around the definition of a family business who do not, as may often be perceived by some to be sorted via or required to be within a defined size. Indeed, Sharma et al. (1996) and Chua (1999) identified no less than 34 operating definitions of a family business but noted some common themes that included the definition of a business as an organisation that was profit making (at least in intent) and the construction that one family has a predominant level of ownership (Getz et al., 2004; Sharma, 1996). While defining a family business is complex, self-definition offers one route forward, which has been used by a number of authors in the field (Seaman et al., 2014) and is perhaps especially appropriate within a community where first generation family businesses are clearly perceived as family owned and run irrespective of succession-intent. Viewed through the theoretical lens of small business, many of the businesses within the Scottish Asian community (as with the wider small business community) require substantive strategic development to fully thrive or indeed survive in the fast-developing often Global business environment, but the family offers a contextual dimension where social and network capital might offer arguably additional resources for development if a strategy for sustainability were desired.

Many of the factors influencing these decisions have been encapsulated in Table 1, cited here from Seaman et al. (2016).
<table>
<thead>
<tr>
<th>Factors</th>
<th>Generation One: Start-up and first generation business</th>
<th>Succession Starters: Ad hoc approach to the ‘next generation’ entering the business</th>
<th>Divorce, Dissolution or Death: A cornucopia of models of family and business development</th>
<th>The ‘Heritage’ Business: Strong formal governance models for the ‘next generation’ entering the business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Background and Structure</td>
<td>Tight-knit community. Tradition important and often unchallenged.</td>
<td>First generation grow up as ‘Scottish Pakistani’. Assimilation, compliance and rebellion.</td>
<td>Unusual but not unheard of. Family often dependent on community support.</td>
<td>Integration likely.</td>
</tr>
<tr>
<td>Family Structure</td>
<td>One family. One or more businesses.</td>
<td>Children form new families and a third generation arrives. One business is often not enough to support a larger family.</td>
<td>Transition phase. Family or business strategy may prevail. Failure common and partially determined by earlier planning.</td>
<td>Relative stability but vulnerable to economic change.</td>
</tr>
<tr>
<td>Education and Entrepreneurial Intent</td>
<td>High priority, but background knowledge of the systems mixed.</td>
<td>Linked. As realistic outcomes from the educational process become visible, aspirations clarify.</td>
<td>Variable. Much depends on the micro-family environment.</td>
<td>Likely to be high.</td>
</tr>
<tr>
<td>Parents Knowledge of Education in Scotland</td>
<td>Limited. Good gatekeepers to the detail of educational systems play a key role.</td>
<td>Success or otherwise at school level education may be a key factor in entry to the family business. Perceived educational success often viewed as polarised.</td>
<td>Variable. Much depends on the micro-family environment.</td>
<td>Variable. Family business may provide security for the family to pursue alternative dreams.</td>
</tr>
<tr>
<td>Parental Aspirations</td>
<td>High, but may be focused on the business.</td>
<td>‘We know what to do for those who will be doctors and those who will run the business. The middle group are difficult’.</td>
<td>Variable. Much depends on the micro-family environment.</td>
<td>High.</td>
</tr>
<tr>
<td>Parental Influence in Education</td>
<td>Very variable. Linked to parents education and the role of gatekeepers.</td>
<td>‘Typically focussed on the existing business. Next generation new business start-up is relatively rare’.</td>
<td>Variable. Much depends on the micro-family environment.</td>
<td>High, but may be tied to existing business. Motivation to start another business or a parallel business sometimes develops.</td>
</tr>
<tr>
<td>Parental Influence in Entrepreneurial Intent</td>
<td>Variable. May view the business as a ‘dynasty’ or a platform for the ‘children to do something better’.</td>
<td>May polarise to extreme commitment or aversion to the family business.</td>
<td>High.</td>
<td></td>
</tr>
<tr>
<td>Children’s Aspirations</td>
<td>High, allied to traditional gender roles feature.</td>
<td>Sometimes linked to the family business.</td>
<td>May be closely allied to the business.</td>
<td></td>
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</tbody>
</table>
9 The succession paradox

Succession planning is the transfer of leadership from one individual to another, which within the study of family businesses is taken to mean from one family member to the next. When running a family business, one of the fundamental processes involved in the continuation of the business is the need to pass leadership onto the succeeding generations. Within the literature it is also discussed that the second core use of succession is to ensure the successful survival of the business, which is vital for both family and non-family businesses (Goodison Group, 2014). In Scotland SMEs account for 99.3% of all private sector enterprise with a further 63% of those SMEs being classed as family businesses (Goodison Group, 2014). They found that 73% of all Scottish family businesses want to keep the business within the family, but in 2014 only 12% of family owned SMEs in Scotland had successfully been passed onto a second generation. These figures continue to fall as it was also found that only 7% of SME family businesses in Scotland were able to progress to a third generation. Key to results from the Goodison Group in Scotland, however, is a core sample that considered mainstream businesses in Scotland and where it is likely businesses within the Asian community were under-represented.

In the context of the Asian community in Scotland, one outstanding question is the degree to which the apparent conflict between family strategy and business strategy influences the future progress and indeed survival of the businesses started by the Asian communities after their arrival in the UK. The literature around family businesses contains considerable evidence that family businesses desire succession but in many cases this does not translate easily to a coherent and ultimately successful succession plan. That evidence – garnered mainly from the mainstream business community – has driven the research agenda towards a focus on how succession may best be achieved. Whilst this is an important goal for the research community in a general sense, this paper contends that there are circumstances where succession is not only not appropriate but is actively not desired, whether the business could survive or not. Whether the desire not to pass the business on equates to a measured decision to close or sell that business is of course a very different question and here it is likely that the history of the South Asian community will play a part. Anecdotal evidence would suggest that at least some of the community, on arrival in Scotland, did not plan to stay forever. Sending money ‘home’ was historically important, often in the context that they themselves planned to return in the future. Set against this backdrop, there would quite understandably have been little incentive for formalised pension arrangements, even before any cultural conflicts to individual types of investment were factored in. A question for future research, therefore, might be to what extent the business represents their pension planning. There is no assumption here that the business is the primary pension, as alternatives such as property may form part of the equation, but further research to explore this would be of interest and would help to explain further the apparent paradox at the heart of the succession process. Whether the businesses could be sold forms a parallel strand of research and establishing whether there is a market for the businesses should a sale be considered desirable would form a separate piece of work in its own right. The succession paradox and it place in the development of family businesses within this particular community is captured in Figure 1.
10 Discussion

In terms of current family business research, consideration of the thoughts, hope, priorities and aptitudes of the next generation is in itself a major area of study and of considerable importance to both the families in business and indeed the advisory community (Seaman et al., 2013, 2016). Our analysis of the context in which family firms within the Asian community in Scotland operate would suggest that the ‘Next Generation’ question is as important to the Asian community as it is to any community who own and run family businesses. There are, however, a number of things specific to the Asian community which may influence both the manner in which this debate unfolds and indeed the outcomes for individual families, businesses and micro-communities. Community culture impacts on family business and assimilation into a new culture is likely to be a part of this; research with the Pakistani community in Edinburgh suggests, for example, that on arrival in the UK many individuals did not intend to stay in the UK permanently (Seaman et al., 2016). Fast-forward a generation, however and the priorities may be very different as a next generation born in the UK contemplate their hopes, dreams and aspirations for the future. Crucially, the life plans for the next generation influence their parents, whose family businesses are vital to the economic wellbeing of at least one generation. The succession paradox is an integral part of this and it is within the overlapping fields of family business, community and education that further developments might reasonably be sought. The multiplicity of fields is in itself a challenge: this paper considered the community and labour market contexts for the South Asian in Scotland and highlighted various factors that might disadvantage the next generation (Jones, 1993; Baumer, 2003). However, as much of the research focuses on the generation who first arrived in the UK it is not clear how big an impact these factors will have on the next generation. In addition, viewed through the theoretical lens of small business, the challenges facing the next generation become more complex. The
generation who arrived in the UK started businesses using formats that worked very well in their original business environment but the rapidly changing business environment means that the on-going success of their family business into second and subsequent generations would require substantive change and may not, in any simple way, be possible. Adaptation, innovation and entrepreneurialism therefore will be key and it is in this context that the education of the next generation entrepreneurialism comes into increasingly sharp focus. Work on family business succession in the wider UK context has focussed to some extent on succession within the existing business format (Seaman et al., 2013) or job opportunities for the next generation (Bachkaniwala et al., 2001). Exploring the entrepreneurial intent of the next generation would seem to be a useful additional theoretical dimension, worthy of research and extending thinking in both a small business and a family business sense.

11 Conclusions

The conclusions that can be drawn from this research can be broadly considered in two groups: the research questions that will interest family business researchers engaged with diverse communities in Scotland and the practical implications for managers and those engaged with business and management education.

A number of research questions emerge from this analysis. The ‘Next Generation’ questions that develop from current research vary in range from questions around the education and career aspirations of young Asians in Scotland to questions around the potential sale of some businesses and indeed the provision and uptake (or otherwise) of formal pension arrangements within current generation. As an established and largely well-integrated minority community whose first generation are disproportionally reliant on an ageing retail and restaurant formats, the thoughts, hopes and plans of the ‘Next Generation’ should merit both concern and future research. At present, 57% of the Pakistani community were born in the UK, compared to 32% Indians (Census, 2011), a contextual dimension that may influence both the numbers for whom the succession debate is important and indeed the community profile that feeds into the debate. The current succession paradox that exists within South Asian family firms in Scotland may be that they often do not desire succession but may achieve succession by dint of the context in which they operate the access to different career options and the aspirations of their next generation. Further, the evidence around second generation entrepreneurialism suggests that the succession paradox does not rule out business start-up or engagement in a more general sense, highlighting the potential for future research in this area.

Further, the context in which Asian firms in Scotland operate should be of interest to those diverse groups who act as advisors to family members and indeed the individual businesses. This diversity of sources of advice should not be under-estimated, including as it does parents, educators, senior members of the communities and business advisors from banks, professional services firms and indeed organisations such as Business Gateway.

An additional conclusion would be that educators should consider the implications of prior business knowledge for those arriving on courses in business and management related subjects. Limited work has already been done in this area: writing on the importance of family business in the UK economy and their noted lack of visibility in UK University Business School education, Collins et al. (2013) note that curriculum
development could usefully take the family business dimension further into account. This paper contends that further work to consider both the prior business experience of undergraduate students in business management subjects and their entrepreneurial intent would be useful and that there is evidence to suggest family and community business background may play a key role in shaping business aspirations. Developing a curriculum that further embraces prior business learning would appear to be a goal worth pursuing.

References


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Scottish Government (2011) *Scottish Census*.

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