



GENDER RESTRICTIVE INHERITANCE CULTURE AND MANAGEMENT  
SUCCESSION IN SOUTH EASTERN NIGERIA:  
AN EMPIRICAL EVALUATION

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ABSTRACT

The study examined gender-restrictive inheritance culture and management succession in private indigenous enterprises in South Eastern Nigeria. A survey design was employed. The population of the study consisted of four hundred and thirty-six private indigenous enterprises in different industrial sectors that registered with the different five State Ministries of Trade, Commerce, Industry and Tourism as at 2009. A Sample of five hundred and eleven (511) respondents was drawn from the private indigenous enterprises from the five Eastern States. Proportionate stratified random sampling method was used in the selection of the respondents to ensure fair representation. The main instruments for data collection were structured questionnaire designed in a 5-point Likert scale of strongly agree to strongly disagree, in-depth interviews for owner-manager and managers were presented both in quantitative tables and qualitative forms. The data collected were analysed using descriptive statistics, Z-test, Pearson Product Moment correlation statistic and thematic content analysis. The study found that gender-restrictive inheritance culture had a negative effect on management succession. It was concluded that management succession is influenced by Igbo inheritance culture in private indigenous enterprises in South Eastern Nigeria. Based on the findings, it was recommended that owner-managers should pay ample attention to managing inheritance culture in order to achieve effective succession in these enterprises.

*Keywords:* Inheritance Culture, Management Succession, Entrepreneurship

1. INTRODUCTION

Inheritance culture and succession is the practice of passing on property, title rights, ownership and obligations upon the death of an individual. Every society has its own inheritance culture that sets it apart from other societies. In Igbo society, the rules of

inheritance on management succession are not uniform. However, certain similarities can still be identified.

Igbo inheritance culture is patriarchal in nature. Men are dominant over women in virtually all areas. It is no doubt that the Igbo family rotates on patriarchal principles of male superiority and dominance, that it becomes an aberration for anybody who tries to disorganise the status quo antebellum (Umobi and Ikpeze, 2010). So a complicated set of issues face daughters in their families as they consider the development of business careers.

Traditionally, there are particular and extraordinary challenges for daughters in South Eastern Nigeria aspiring to the top leadership role in their own family's enterprise. There is a sex-based preference imbedded in the inheritance culture of the Igbos that favours sons over daughters as managerial heirs regardless of experience or temperament to lead (Allen & Langowitz, 2003; Miller et al., 2003). As a result, daughters have been relatively disadvantaged in acquiring key experience, training, and social support to assume the top role as they mature (Estess, 2001; Haberman & Danes, 2007; Martin, 2001 and Sherma, 2002). Even when most daughters have probably had intimate and valuable engagement of the family business management process either directly as an employee or indirectly as a family member, they are still denied the leadership position because of the Igbo inheritance culture. This on-going adherence to male-dominated traditions of property ownership and control has generally meant that women cannot take advantage of the wide range of benefits associated with ownership and control of property. This poses a barrier to overall socioeconomic progress of the people.

Since management succession at any level remains a vital instrument in organisational growth, long-term stability, survival and sustenance, the x-ray of gender-restrictive inheritance culture as one of the growing problems of management succession is a crucial issue.

## 1.1 STATEMENT OF THE PROBLEM

Succession at any level remains a vital instrument in organisational growth, long-term stability, survival and sustenance. Yet, a crucial challenge in all private indigenous enterprises is management succession. There is a barrier in the ways the owner-founders handle management succession in Igbo society because selection of heir(s) is restricted to a specific social unit, typically the family which follows the cultural inheritance rules. Inheritance culture has remained an encumbrance to management succession in private indigenous enterprises. Given that the succession process is critical to the survival of enterprises in South Eastern Nigeria after the death of the founder, the paper fundamentally seeks to find out the extent to which gender restrictive inheritance culture has affected management succession.

## 2. LITERATURE REVIEW

### 2.1 Culture

Culture is one of the key elements in management succession. A great deal of research reveals that culture is recognized as the central component from which behaviour and performance flow (Goody, 2003). Indeed, effective management succession will remain elusive without an in-depth understanding of the socio-cultural environment in which a business enterprise operates. The term culture has been defined in a great number of ways and finding a suitable working definition can be difficult. To Abakare (2009:5), 'culture means the way of life – the shared, learned behaviour of a people'. Abakare argues that culture is a social heritage of any society; all the knowledge, beliefs, customs, and skills he acquired as a member of society. It is always specific and is a distinctive way of life of a group of people, their complete design for living.

For our purposes, we will take a simple approach and define culture as the collection of beliefs, values, behaviours, customs, and attitudes that distinguish the people of one society from those of another. Hofstede (1991:12; 2001:41) suggests, 'culture is the collective programming of the mind which then causes members of a particular group or category to behave in a manner that distinguishes them from other groups'. According to Hofstede culture is the glue that ties a group or society together and signifies what it stands for. In both personal and the business world, culture determines the rules that govern how any people and organisations operate (for the inheritance rule/culture); consists of the patterns of thinking that parents transfer to their children, teachers to their students, friends to their friends, leaders to their followers, and followers to their leaders. By this meaning, Hofstede suggests that people in a particular country can be expected to think and behave in ways that would be different from those in other countries.

This is in line with Ferraro's (2005) description of culture as everything that people have, think, and do as members of their society. Ferraro elaborates the three major components of his definition in the following manner. He argues that for a person to *have*, something material must be present; when people *think*, ideas, values, attitudes and beliefs are in attendance and that when people *do*, they behave in certain socially prescribed manner. The latter two factors will, in turn, influence the things that people choose to have. If Hofstede's and Ferraro's definitions are juxtaposed, it is evident that people of a certain culture would have, think and do things in ways that are different from those from other cultures. If that is so, it can be argued in the context of this study, that cultural differences could affect the manner in which management succession is planned and implemented and that management succession in South Eastern Nigeria might exhibit differences from those practised in other parts of Nigeria and other countries. This then questions the wisdom of using a universal approach or model for management succession across diverse cultures.

## *2.2 Inheritance Culture*

Inheritance culture is the practice of passing on property, titles, debts, rights and obligations upon the death of an individual. It has long played an important role in human societies. The rules of inheritance differ among societies and have changed over time (Okoro, 1971). Inheritances are transfers of the unconsumed material accumulations of previous generations. Whenever a man dies, his property and business ventures are divided among the male children only. The females do not to partake. The first-born male takes the larger share of whatever that is shared. When a man has more than one wife, his property is divided among the first male issues of the wives upon the death of husband.

Inheritance culture is fundamental to management succession it largely determines the effectiveness of various management succession practices. Practices found to be effective in Yoruba land may not be effective in a culture that has different beliefs and values. More recently, numerous studies of have identified the inheritance culture as critical to the successful management succession and enterprise longevity (William, 2007; Goody, Thirsk and Thompson, 2002). In a study that compared public and private enterprises, Goody, Thirsk and Thompson found that indigenous inheritance culture has significant influence on management succession at various levels of management especially the chief executive cadre.

## *2.3 Management Succession*

Management succession, in organisational theory and practice, refers to the process of transferring managerial control from one leader or one generation of leaders to the next. It

includes the dynamics preceding the actual transition as well as the aftermath of the transition (Shepherd and Zacharakis, 2000). It is a process by which one or more successors are identified for key posts, and career moves, and/or development activities explained for these successors. Management succession is the proactive identification and development of subordinates for future managerial and leadership positions at all levels of the organisation (Shepherd and Zacharakis). Sharma et al., (2003) and Dyck et al., (2002) opine that management succession refers to a dynamic transitional process with specific pre-arrival and post-arrival phases that organizations experience in which a manager known as the predecessor (in many cases a Chief Executive) steps down from a primary position of influence and authority as a result of ill-health, old age or death and is succeeded by another individual known as the successor (heir).

In the context of family business, management succession is the actions and events that lead to the transition of leadership from one family member to another (Sharma, Chrisman, Pablo and Chua, 2001). Succession can also mean a process of ensuring smooth transfer of leadership and responsibility from the incumbent to a potential successor. This may have a form of management (Alcorn, 2002), or of ownership succession (Handler, 2001; Le Breton-Miller et al; 2004), or both at the same time - there may be a variety of combinations of ownership and management available to the enterprise in transition. The implication here is that ownership will remain in the family. Alcorn maintains that succession refers specifically to changes in the boss position. Furthermore, Aronoff (2003) says that succession means the transition of family business leadership and ownership from one generation to the next. Aronoff argues that succession is a lifelong process of planning and management that encompasses a wide range of steps aimed at ensuring the continuity of the business through generations. Hence, management succession in a family business involves a transfer of managerial decision-making in a firm from one generation to another for the successful continuation of the business. It is a process of preparing an organisation for a transition in leadership.

#### *2.4 Genders-Restrictive Inheritance Culture and Management Succession*

Gender has been one of the inputs traditionally used in management succession in private indigenous enterprises. Research suggests that there is an important bias against women in the succession process (Okoro, 1971, Pyromalis, Vozikis, Kalkanteras, Rogdaki and Sigalas, 2004; Afghan and Wiqar, 2007). Kealting and Little (2004) considered gender the main factor in the successor election process, whereas Stavrou, Kleanthous and Anastasiou (2005) found out that even if the daughter was the primogeniture, she was not considered to run the family business. Thus, there were some owners that preferred to sell the business instead of allowing their daughters to lead it (Meffert, 2004; Stavrou et al., 2005). While sons are grown up for entering in the family business daughters usually lack the opportunity to succeed their fathers (Dumas, 2003, Miller et al., 2003). Fathers tend to have tacit expectations that their sons will take over the family firm and therefore groom their sons for the role (Dumas, 2003).

In Igbo inheritance culture, it is not in doubt that the Igbo family rotates on patriarchal principles of male superiority and dominance, that it becomes an aberration for anybody who tries to disorganise the statuesque antebellum (Umobi and Ikpeze, 2010). Where a man is survived by daughter but is not survived by sons, the daughters have no right to inherit the father's property or commercial ventures except in matrilineal society like Ohafia Division (Okoro, 1971). Okoro observes that a clear discrimination exists in the patrilineal Igbo society where devolution is strictly based on the principle of primogeniture, wherein the eldest son takes the lion share of his deceased father's estate with his younger brothers taking the remnant, with no allowance made for the females except the wearing apparels, trinkets, and cooking utensils.

An exploratory study comparing succession practices between Korean and United States family-firms revealed that, even though owners of United States firms are a little more open to considering daughters as successors, most owners in both countries overwhelmingly choose and expect their sons to be the successors (Kuratko, Hornsby, and Montagno, 2004). Fahri (2000) reports that only about 5 percent of all United States family firms with 59 employees or more include daughters as employees. Furthermore, Birley (2006) found that most female students in her study had no expectations of joining the family business or did not have any specific plans regarding it in the future. In Canada, fewer than 5 percent of family firms are headed by daughters because women are not moved to the top until crises or unforeseen circumstances put them there (Kuratko, Hornsby, and Montagno, 2004). Wajcman (2001) argued that the male culture is so ingrained in organisations that people do not even recognize that the organisations are gendered.

The daughter, due to her sex, is not a legitimate heir candidate (Astrachan and Whiteside, 2002; Bayad and Barbot, 2002; Cromie and O'Sullivan, 1999; Dumas, 2003; Estess, 2001; Haberman and Danes, 2007; Martin, 2001; Nelson, 2001; Sherman, 2002; Vera and Dean, 2005). Daughters are seen as "invisible", "non-natural" successors (Cole, 2002; Slaganicoff, 2000) and they are considered for promotion during crises (economic or health problems, brother's refusal to take over the business) when the incumbent leader has no other choice to preserve the family enterprise. The daughter may then be positioned as the family firm saviour

Despite these barriers, some women get around the obstacles and are encouraged to join the firm, developing an interest in the firm and/or in leadership as a consequence of one or more of the following factors: their brothers are not strong leaders, they have no family responsibilities (no husband, no children), or their fathers ask them to join the firm (Iannarelli, 2003).

### 3. METHODS AND MATERIAL

#### *3.1 Research Design*

Research design a blueprint used to guide a research study towards its objectives. Given the nature of this study, survey research design was employed.

#### *3.2 Sources of Data and Sample Size*

Data was obtained from primary and secondary sources. Primary data were obtained mainly by means of questionnaire, interviews and observational methods. Secondary data were collected from textbooks, and journal articles that dealt with conceptual and theoretical issues. Samples of five hundred and eleven (511) respondents (owner managers, middle managers, senior managers) were drawn from the private indigenous enterprises from the five Igbo States.

#### *3.3 Method for Data Analysis*

The data collected were analysed using descriptive statistics, Z-test, and thematic content analysis. The research hypothesis for the study is:

Ho: Gender restrictive inheritance culture has no negative effect on management succession in private indigenous enterprises in South Eastern Nigeria.

H<sub>1</sub>: Gender restrictive inheritance culture has a negative effect on management succession in private indigenous enterprises in South Eastern Nigeria.

## 4. EMPIRICAL ANALYSIS AND DISCUSSIONS

This section is concerned with the presentation of analysed data and discussion of results.

Table 1: Z-test Analysis of the Effect of Inheritance Culture on Management Succession Process

Variables	M	SD	$\mu$	Zcal	Zcrit	Decision
Successful handover of business is adversely affected by the application of rule of inheritance that excludes daughters	3.76	1.08	3	15.2	1.96	Significant
Exclusion of daughters limits the owner founder's choice of competent successors	3.94	1.11	3	18.8	1.96	Significant
Preference of sons over competent daughters lead to conflict which negatively affects management succession process	3.91	2.22	3	9.1	1.96	Significant

Source: Field Survey [n=500]

Table 1 demonstrates the summary of Z test for population mean. The table showed a significant difference between the sample mean value and the hypothesize  $\mu$  (3.0) for the three assessment factors ( $Z_c 15.2 > Z_t = 1.96$ ,  $\alpha = 0.05$ ;  $Z_c 18.8 > Z_t = 1.96$ ,  $\alpha = 0.05$ ;  $Z_c 9.1 > Z_t = 1.96$ ,  $\alpha = 0.05$ ), that evaluated the effect of gender restrictive inheritance culture on management succession process. This is an indication that gender restrictive inheritance culture had a negative effect on management succession process.

Table 2: Gender-restrictive inheritance culture and management succession

	1 = Moribund	2 = Operational	Total	Chi-square	P value
Gender-restrictive inheritance culture	1	10	11	4.329	0.037
Non-gender related bias	0	3	3	1.728	0.189
Total	1	13	14		

Source: QDA Miner version 3.2.13

Table 2 furthermore indicated gender bias against women was featured prominently as a theme in the interviews conducted with founders/managers of operational businesses than those of moribund companies. Of the total 14 codes related to gender bias, 11 showed that gender bias negatively influenced management succession of business.

The above empirical findings support the contention that there is an important bias against women in the succession process. The result is consistent with the respective findings of Obi (1997); Pyromalis, Vozikis, Kalkanteras, Rogdaki and Sigalas (2004); Afghan and Wiqar (2007) that there was bias against women in the succession process even if the daughter was the primogeniture. In a study carried out by Afghan and Wiqar (2007) on gender and culture in Southern Ethiopia, they found that during inheritance, the legitimate heir is the eldest son who inherits everything including the father's business outfits. It is not in doubt that the Igbo society is a masculine society, where the family rotates on patriarchal principles of male superiority and dominance. It becomes an aberration for anybody who tries to disorganise the statuesque antebellum (Umobi and Ikpeze, 2010). When a man dies without leaving sons, but leaving only daughters, his daughters are excluded from succeeding to his property (Okoro, 1971) except in matrilineal societies (Ohafia Division) where women are part of inheritance of their father's property. This on-going adherence to male-dominated traditions of property ownership and control has generally meant that



women cannot take advantage of the wide range of benefits associated with ownership and control of property. This poses a barrier to overall socioeconomic progress of the people. One of the hidden sources of economic growth and development is Africa's women (Toh, 2003). Toh argues that providing African women with equal education and access to managerial positions could raise economic growth by as much as one percent.

Analysis of interview data gathered during the qualitative of the study suggests the possibility of gender bias generating a problem for management succession process. In a particular context, a founder and a father (Male/founder, Company H1 – Operational, Imo State) said: “For an intelligent father you cannot give your business to your married daughter, she can work for me quite alright, if not your daughter, your son in-law can run you down.”

In another context, a business founder (Male/Founder, Company E – Operational, Anambra State) noted that no matter how interested his daughters are, he would rather sell off the business and share the money than allow them to manage it. In his own words:

Our tradition and culture has stipulated rules about this, it is only a trouble maker that would go about doing things outside what our culture says. If they (sons) are not interested I would sell off the assets and wind up the business and share the proceeds among them (male children) because enemies would take advantage...They (daughters) are all married and are in their husbands' houses so they don't have any business here whether they are interested or not.

Also, a business founder (Male/Founder, Company B – Operational, Abia State) who married three wives, had only girls from the first wife and one male from the second wife stated in his will that: “My son who was 25 years should take over the management of the company irrespective of his experience in the business.” However, this brought about squabble in the family which kill the business.

The results suggest that that application of rule of inheritance upsets management succession process in private indigenous enterprises in South Eastern Nigeria. Despite these barriers some women get around the obstacles and are encouraged to join the firm, developing an interest in the firm and/or in leadership as a consequence of one or more of the following factors: their brothers are not strong leaders (as was the case of one of the companies studied), they have no family responsibilities, or their fathers ask them to join the firm (Iannarelli, 1999). Further, the Nigerian Supreme Court early this year passed a law empowering women to be part of their father's inheritance.

## 5. CONCLUSION AND RECOMMENDATIONS

Based on the findings of the study, we concluded that application of rule of inheritance that excludes daughters from inheriting their father's business adversely affects successful handover of business and owner-founder's choice of competent successors. It was further concluded that preference for sons over competent daughters led to conflict which negatively affected management succession process. The presence of these factors reduces the effectiveness of succession planning, process and implementation. In order to achieve effective succession in these enterprises, owner-founders should pay ample attention to managing culture by jettisoning its traditional systems which are at variance with succession process.

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