THE Narratives of Business Successors in Region XI on Their Entrepreneurial Journey: A Multiple Case STUDY

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ABSTRACT

The goal of this study was to explore the entrepreneurial journeys of business successors in Region XI who inherited and now manage their family-owned enterprises. This qualitative multiple case study involved five successors from diverse industries—education, sack trading, computer repair, food service, and junkshop operations—selected through maximum variation sampling. I employed thematic analysis and cross-case evaluation of the transcribed responses from in-depth interviews, categorizing and coding them to identify essential themes. Six major themes emerged relative to their entrepreneurial journey: organizational acceptance and identity, experiential learning, technology adoption, operational innovativeness, organizational challenges, and financial difficulties. To manage these challenges, three essential coping themes arose: building trust and openness, support and adaptive learning, and strategic financial management. All cases revealed a strong sense of stewardship toward preserving legacy while driving operational innovation and strategic growth, underscoring the need for structured succession frameworks in the Philippine regional ecosystem.

KEYWORDS: *Business succession, entrepreneurial journey, family enterprise, Region XI, multiple case study.*

INTRODUCTION

Business successors encounter various challenges during their entrepreneurial journey, frequently intensified by their predecessors' expectations and legacy. The pressure to maintain or exceed the success of the previous generation is a significant issue that can be overwhelming and stifle innovation (Suddaby & Jaskiewicz, 2020). The fear of deviating from established practices often hinders successors from implementing necessary changes or taking risks (Tirdasari & Dhewanto, 2020). Moreover, Tugade et al. (2021) emphasized that the ever-changing nature of contemporary markets requires the acquisition of novel skills and approaches, which may clash with conventional methods that were once effective. As stated by Viljamaa et al. (2024), insufficient preparation of successors can result in difficulties in gaining the respect and trust of employees and stakeholders, potentially causing operational disruptions and a decline in business performance.

Incorrect business valuation can cause conflicts among family members or external parties, potentially compromising the succession process (Pruthi & Tasavori, 2022). In addition, tax implications are significant in ownership transfers, as they can result in substantial tax liabilities that require careful planning and effective management (Klaczak, 2023). Securing financing for ownership transfer can be a complex challenge, requiring successors to obtain loans or use other financial instruments to maintain operational liquidity and invest in future growth opportunities (Lim, 2021; Majid et al., 2022). Insufficient financial planning can result in cash flow issues, limiting the business's ability to adapt to market fluctuations and invest in innovation (Mitchell, 2020).

In the Philippines, fewer than 30% of family businesses possess a documented, formal succession planning process (Poeschl & Freiling, 2020). The cultural importance placed on familial hierarchy and reverence for elders intensifies emotional attachment, making it challenging for younger generations to assert leadership or shift from conventional family structures (Santiago, 2021). Furthermore, institutional factors complicate the business succession process, including red tape, intricate regulatory frameworks, and complex governance standards that impede business continuity (Haynes et al., 2021; Ibouder et al., 2022). This study addresses these gaps by exploring localized insights from Region XI to guide structured succession planning, promote sustainable practices, and inform business policies within a regional economic context.

Purpose of the Study. The primary purpose of this qualitative multiple-case study was to explore the narratives of business successors in Region XI relative to their entrepreneurial journey and transition dynamics. Specifically, the study aimed to answer what narratives characterize their journeys, how they cope with inherited organizational and financial challenges, and what structural factors explain the similarities and differences across diverse cases. These analyses serve to guide improvements in regional succession planning, build tailored advisory services, and inform developmental frameworks for family-owned enterprises.

Research Questions

1. What are the narratives of business successors in Region XI relative to their entrepreneurial journey?
2. How do they cope with the challenges in managing their respective enterprises?
3. What explains the similarities and differences of each case?

Theoretical Lens

To comprehensively interpret the narratives of business successors, this study is grounded in three distinct theoretical lenses: Agency Theory, Stewardship Theory, and the Resource-Based View Theory.

First, Agency Theory examines the relationship between owners (principals) and managers (agents), highlighting potential conflicts of interest that surface during leadership transfers (Panda & Leepsa, 2017). Even within tightly held family firms, successors must overcome employees' perceptions of untested competence and realign misaligned staff expectations to establish operational authority (Shapiro, 2005). Second, Stewardship Theory offers a complementary alternative, presenting managers not as self-serving agents but as intrinsically motivated stewards whose personal goals naturally align with organizational survival (Donaldson & Davis, 1991). This mindset drives successors to prioritize intergenerational legacy, pride, and collaborative community interests over short-term personal gain (Davis et al., 1997; Miller et al., 2008). Third, the Resource-Based View (RBV) Theory posits that a firm's sustainable competitive advantage stems from internal resources that are valuable, rare, inimitable, and non-substitutable (Barney, 1991). In generational transfers, the transfer of tacit operational knowledge, customer relationships, and family social capital serves as a critical strategic asset that must be reinforced through digital tools and structural innovation (Habbershon & Williams, 1999; Zahra et al., 2004).

METHODOLOGY

Research Design. The strategy of inquiry in this study is a qualitative multiple-case study design, which facilitates an intensive, context-specific exploration of real-life, complex systems by collecting detailed data from multiple perspectives (Quintão et al., 2020). As argued by Tönnissen and

Teuteberg (2020), a multiple case study allows researchers to analyze structural similarities and differences across bounded units to draw theoretical comparisons and predictable contrasts (Butt, 2021). This design employed robust data triangulation—incorporating semi-structured interviews, direct observations, and contextual document reviews—to deepen understanding of the underlying social phenomena and enhance the overall credibility of the research findings (Zangiacomi et al., 2020).

Research Site and Participants. I purposively involved five millennial business successors in Region XI who inherited micro-enterprises as the primary case units for this study. The selection adhered to maximum variation sampling, a purposeful method that entails identifying important dimensions of variation and selecting cases that exhibit the greatest possible differences to highlight shared, significant cross-case patterns (Newman, 2019). The bounded case units included: Case A (Academic Reformer: managing a private educational institution), Case B (Sack Trader: wholesale packaging business), Case C (System Builder: computer sales and repair enterprise), Case D (Heiress Hustler: restaurant and digital food retail), and Case E (Reluctant Captain: family junkshop and scrap trading). This sample size meets the qualitative recommendation of four to five intensive case units to effectively reach data saturation and informational redundancy without compromising depth (Halkias & Neubert, 2020; Tirdasari & Dhewanto, 2020).

Data Analysis. Data analysis followed a systematic, qualitative, thematic workflow, combined with an inductive cross-case comparison. Transcribed audio data and field notes were organized into indexable case databases to optimize retrieval reliability (Song & Luximon, 2020). I individually analyzed each case to identify specific recurring codes, clusters, and conceptual categories (Dandi, 2018). Subsequently, cross-case analysis was applied to compare overlapping experiences, events, and processes across all units, extracting stable, universal themes that withstand cross-case variation while precisely documenting distinct divergences (AlFarraj et al., 2021; Gao, 2020).

Trustworthiness of the Study. To guarantee empirical rigor, the study meticulously integrated the four qualitative components of Lincoln and Guba (2012): credibility (established via extensive member-checking, peer debriefing, and methodological triangulation), confirmability (ensured by utilizing audit trails, strict field note records, and independent mentor readers to eliminate personal research biases), transferability (supported by providing rich, thick descriptions of regional and industrial contexts so readers can evaluate circumstantial applicability), and dependability (upholding stability by following explicit participant eligibility criteria and validated interview protocols) (Connelly, 2016; Yin, 2017).

RESULTS

Successor Journeys and Coping Mechanisms

Organizational Acceptance and Identity Dynamics. Gaining legitimate operational authority was a primary challenge, particularly as one navigated relationships with long-serving subordinates whose emotional loyalty remained tied to the founding generation. Successors routinely felt the implicit pressure of operating in the shadow of successful parents.

> *Lisod gyud sa una, kay murag di pa mutuo ang uban nga kaya nako ang trabaho sa akong mama, pero sige lang ko prove through action. (It was really hard at first because others didn't believe I could handle my mother's responsibilities, but I just kept proving myself through action). (CA-Q3)*

Table 1
Summary Matrix of Successor Journeys and Coping Mechanisms

Essential Themes	Core Foundational Ideas	Corresponding Inherited Challenges
Organizational Acceptance & Identity Dynamics	Managing subordinate resistance to new leadership; overcoming successful predecessor shadows; detaching personal credibility from parental political/social reputation.	Organizational Acceptance & Identity Hurdles
Experiential Learning & Operational Renewal	Unstructured hands-on business immersion; learning via tactical failure; process optimization via software automation (CRM, POS, QuickBooks); digital rebranding.	Organizational & Supply Chain Challenges
Strategic Financial Management & Resilience	Implementing strict lean budgeting; cash flow forecasting;	Severe Liquid Capital & Financial Difficulties

	proactive expense tracking; business diversification to offset revenue losses.	

In parallel, successors from prominent sociopolitical lineages faced extensive biases, needing to actively de-link their professional entrepreneurial credibility from familial network dependencies to assert personal legitimacy.

> *Lisod ang part nga people think I'm only successful because of my father.. Gusto gyud mag-prove sa ilang kaugalingon. (The hardest part is that people think I'm only successful because of my father... we really want to prove ourselves). (CD-RPQ1.3)*

Experiential Learning and Operational Renewal. Rather than undergoing formalized institutional training, next-generation leaders navigated unstructured, hands-on environments where competence was sharpened via trial and tactical failures. Once leaders gained operational control, they aggressively phased out obsolete manual systems by deploying digital architectures.

> *Ang akong unang buhat kay nagbutang gyud ko ug CRM system para ma streamline tanan. Dili na pwede karon ang manwal lang. (The first thing I did was set up a CRM system to streamline everything. You can't rely on manual work anymore these days). (CC-PQ5)*

Strategic Financial Management and Resilience. Severe financial stress, tight profit margins, legacy debts, and volatility in capital turnover emerged as universal structural pain points. In response, successors implemented strict financial controls, lean cost-accounting practices, and urgent service diversification to navigate broader economic downturns.

> *To manage financial difficulties, I use strict budgeting and make sure every peso is accounted for. Simple ra gyud akong pamaagi. Ayaw gasto kung walay sulod. (My way is simple and clear: do not spend if you do not have money). — (CA-RQ2.13)*

DISCUSSION

The results of this multiple-case study illustrate that a successor's entrepreneurial journey is a complex structural negotiation that combines legacy preservation with systemic operational modernization. Gaining organizational acceptance requires high emotional intelligence, as employee loyalty is tied heavily to the founder and does not automatically transfer to the successor. This aligns with Wetsanarat (2021), who noted that family business successors must earn organizational legitimacy through visible competence and strategic relationship-building rather than relying solely on ownership stakes. Identity formation remains a continuous negotiation shaped by stakeholder perceptions and individual leadership actions (Tugade et al., 2021; Zybura et al., 2021).

Experiential learning serves as the primary driver of capability development. Unstructured hands-on training builds tacit operational knowledge and problem-solving skills that formal business education cannot replicate, reinforcing the view that active immersion accelerates managerial competency (Sultan et al., 2024; Tirdasari & Dhewanto, 2020). This expanding capability directly triggers technology adoption and operational innovativeness. Successors leverage software architectures (such as QuickBooks, CRM, and automated POS systems) to institutionalize manual processes, minimize workflow errors, and optimize supply chain channels (Porfírio et al., 2020; Pruthi & Tasavori, 2022; Stănciulescu, 2024).

Financially, successors operate within restrictive economic environments defined by inflationary overhead, weak demand, and tight working capital lines. Strategic financial management—characterized by lean operations, rigorous cost control, and strategic cash flow monitoring—is critical to mitigating insolvency risks during leadership handovers (Lim, 2021; Rothwell & Prescott, 2022). These structural findings fully reconcile the theoretical triangulation of this study. Agency costs are reduced as successors prove visible competence to suspicious subordinates. Concurrently, their actions validate Stewardship Theory, as choices are guided by intergenerational legacy, fairness, and organizational continuity rather than personal extraction. Finally, under the RBV framework, modern tools convert unstructured family capital into highly scalable, rare, and inimitable firm capabilities.

Implications for Educational and Business Practices

For educational and business practice, the study highlights that professional bodies, universities, and business management faculties must shift from generic entrepreneurial curricula toward specialized family business succession frameworks. Academic programs should focus on building localized training modules that address emotional intelligence, stakeholder negotiation, regional tax implications, and conflict resolution within intergenerational structures. Development institutions and regional chambers of commerce should establish structured mentorship networks matching veteran founders with incoming successors to minimize operational transition gaps. Concurrently, government agencies must design targeted financial literacy workshops and streamline regulatory compliance standards to protect micro-enterprises from structural failure, ensuring long-term regional economic stability and sustainable employment generation.

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